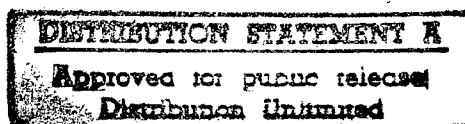




JPRS Report



Near East & South Asia

ISRAEL

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Near East & South Asia

ISRAEL

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U.S. Consul's Appointment Viewed Favorably

TA3007114291 Tel Aviv YEDI'OT AHARONOT
in Hebrew 30 Jul 91 p 13

[Report by Smadar Peri]

[Text] In an extraordinary move, the U.S. State Department has decided to appoint a woman as the U.S. consul in Jerusalem. The consul, who will be in charge of relations with Palestinians in the West Bank, will replace Paul Wilcox, who is scheduled to end his assignment shortly.

The new consul, Molly Williamson, is an Arabist of Chinese origin who, until three years ago, was the first secretary and the political counselor on Middle East affairs at the U.S. Embassy in Tel Aviv.

The 42-year-old Williamson is considered an excellent and knowledgeable diplomat with leadership qualities. She played a key role in the U.S. delegation to the Tabah talks and won the appreciation of senior officials on the Israeli and Egyptian delegations.

Officials in Jerusalem last night reacted to the appointment by voicing appreciation for the professional qualities of the new consul. "This is a job of special importance, and the appointment of a woman to deal with the Palestinian issue indicates that the State Department attaches importance to the promotion of U.S. relations with secular and moderate elements within the Palestinian camp," the sources said.

Ambassador Mazel on Regional Peace Conference

91BA1027Z Bucharest TINERETUL LIBER
in Romanian 10-11 Aug 91 p 3

[Interview with Israeli Ambassador to Romania Tzvi Mazel by Anca Munteanu; place and date not given: "In the Small World in Which We Live the Only Solution Is Good Relations"]

[Text] [Munteanu] Mr. Ambassador, there is currently a lot of talk of a Middle East peace conference planned for October, although not all the obstacles preventing it have been removed. In any event, the Shamir government has given its accord, albeit a conditional one. What do you think, will this conference take place?

[Mazel] I hope it will. Because all we have wanted, ever since Israel became independent, was to sign a peace with our neighbors. This time there are many chances that the negotiations will be serious. As you know, the conference will last one to one and a half days, after which direct bilateral negotiations are planned to begin with the states bordering Israel. The level of representation is still not known, but the participants will include a Syrian delegation, a Lebanese delegation, and a Jordanian-Palestinian delegation. So there will be delegations from the neighboring countries and now I hear that contacts are underway with Gulf countries, Saudi Arabia, Kuwait, and the Maghreb countries in northern

Africa. All the Arab countries must participate in this conference. You see, they are all at war with Israel, because they declared war against us 20-30 years ago. Of course, we never had any direct confrontations with those countries because geographically we have no contact with them, but we will have to first discuss and negotiate peace declarations if we are to have normal relations in the future.

[Munteanu] The idea of such a peace conference does not go back two weeks, but to about the mid-1970's. So far, Israel has refused to attend such a conference. Why is it agreeing now?

[Mazel] Because now we are talking about a different conference than the conference that was possible a few years ago. This is not an international conference aimed at settling the Israeli-Arab conflict as a whole. This is a regional peace conference, scheduled to last one day and to rally all the countries involved; after that meeting the conference will cease and will be replaced by direct bilateral negotiations between Israel and each of its neighbors.

[Munteanu] Which is what Israel in fact always requested....

[Mazel] Precisely. We maintained that it was impossible to settle everything as a whole, because our problems with Syria are different from our problems with Jordan or the Palestinians; the specific set of problems must be resolved with each one separately, as we did with Egypt. So we are not talking about the kind of international conference that was discussed years ago, but about the solemn opening of negotiations between Israel and its neighbors under the aegis and with the participation of the United States and the USSR.

[Munteanu] Do you think that UN Resolutions 242 and 338 will stand at the basis of those negotiations, or will other criteria be discussed?

[Mazel] Absolutely; these resolutions exist and were accepted by the Security Council, so we will have to see how they are to be implemented with each of the neighboring countries.

[Munteanu] Do you see any possibility that this conference will generate a new Camp David and if so, which of the Arab countries may be the closest to such a historic step?

[Mazel] We must clarify what Camp David was. Camp David was the point of departure for a peace process between Egypt and Israel. It finally brought about a peace agreement with Egypt, but let us not forget that it was preceded by President Sadat's visit to Israel; it was thus an extremely important peace initiative by Israel and an Arab country and, aside from the peace agreement with Egypt, we decided to grant autonomy to the Palestinians. I think that by now that is already behind us, because the path has already been opened up. Egypt has demonstrated that peace with Israel is possible and

that is why I hope that we will be able to achieve peace with Syria, Lebanon, and Jordan and that together with the latter we will be able to settle the Palestinian problem, too. We will negotiate with the Palestinians living in Israel, with whom we wish to arrive at agreements allowing us to live in peace and guaranteeing a peaceful, nice coexistence.

[Munteanu] Let's go one step further. Israel stated that it will not accept the participation of the USSR in the Middle East peace process before the diplomatic relations which were broken in 1967 are restored. Does it mean that by October the USSR will renew relations with the State of Israel, or has the Israeli side given up that condition?

[Mazel] No, there is no doubt that even outside the peace process, the USSR must restore its relations with Israel. In the small world in which we live the only possible solution is good relations. We have renewed consular relations with Moscow and if we are to believe the statements made by the Soviet authorities, the rest will come in the fairly near future.

[Munteanu] Mr. Ambassador, since I find myself here I, cannot resist the temptation to ask a question that does not necessarily bear an obvious connection to the Middle East. Unfortunately, there is currently quite a lot of talk abroad, in the press and elsewhere, about the Romanians' alleged anti-Semitism. I must tell you that most of us are shocked by these assertions and more than a few of us perceive them as an injustice. You have been in Romania for a few years now and I think you were able to form your own impression of us. Do we seem to you as anti-Semitic as all that?

[Mazel] No, I do not think that there exists a pronounced anti-Semitic tendency here, I am sure there is not. On the other hand, it cannot be denied that over time there has been an anti-Semitic bias in Eastern Europe: Poland, Hungary, and even Romania. These are prejudices that go back a long time and that are based on ignorance, because what in fact is anti-Semitism? Is it a decision that a certain nation has to be hated? There is absolutely no sense in it; however, because of certain historical distortions, the Jewish people repeatedly found themselves cast as the scapegoats. And of course the climax was the holocaust; the destruction of over 6 millions Jews, many of them from East Europe, did not come out of nowhere. We hoped that after all the horrors of the war people would understand and would distance themselves from all the prejudices of the past. But it seems that old "traditions" do not disappear so readily. I have observed that simultaneously with perestroika and the new freedom in East Europe there has also been a revival of anti-Semitism, this time linked to nationalism, but to an extremist nationalism leading to fascism. I would even go as far as to say that anti-Semitism is a symptom that, as it deepens, can lead to fascism, and that is why it must be very carefully examined by both the authorities and the public. After the December revolution I noticed a recrudescence of anti-Semitism which, while not

extreme, is nevertheless a phenomenon that cannot be ignored. Certain publications have begun to carry very primitive articles against the Jews who allegedly wanted to conquer the whole world, and other such idiotic statements. Then came the magazine ROMANIA MARE, which became the mouthpiece of anti-Semitism in Romania.

[Munteanu] You know, there are more than 1,400 publications in Romania....

[Mazel] I know, but the fact that week after week ROMANIA MARE deliberately drips some poison into people's minds, relying on the existence of a dark, subconscious anti-Semitic tradition that was on its way to disappearing after so many years since the war, is serious. And a few months ago EUROPA appeared, which is a genuine catastrophe; this magazine devotes considerable space to the desecration of Judaism, of the Talmud, and of everything that is holiest to us. Frankly, I do not think that any Romanian would have put up with such a publication if it had appeared in Israel and had written the same sort of things about the Romanians. So it is only natural that the Jews should not want to tolerate such a situation. When these two publications came out, we noticed a certain embarrassment, a certain inhibition on the part of the press. Of course, later they did react; but I think that all the newspapers and magazines, the intellectuals, the trade unions, all the viable forces of the nation, and the political parties must say aloud what they think, because that is the only way to isolate these extremist publications and to let them know how petty and insignificant they are. And if the government will find that the majority of the public is with it, it will be better able to act. Anyway, it is currently obvious that the newspapers are reacting and are promptly censoring such deviations, as is the case in every democratic society. And do not forget that this is the only way to protect democracy against fascism.

[Munteanu] I was telling you that generally the Romanians react with shock at being accused of anti-Semitism, because most of them have normal feelings and sympathy toward the Jews. Many helped them during the war, hid them, and behaved like brothers, but now they have to suffer accusations for what happened in the country during the war. We know that Marshal Antonescu did not send Jews to extermination camps, as was the case in Hungary or Poland, let alone Germany.

[Mazel] Just a second, here! There are a few issues of which people are not aware, which were not told under communism, and therefore must be said. First, I was telling you that the Romanian press is showing a certain discomfort about ROMANIA MARE and EUROPA. At the same time, foreign publications and press agencies reported week after week what was being written in Bucharest and wondered why there was no public opinion reaction. We live in an open world in which what happens in one country is immediately reported everywhere. American, British, French, and Italian newspapers, wondering why the Romanian press and the

Romanian public were not reacting, concluded that there must be extreme anti-Semitism in the country. Something that is evidently not so. I am explaining to you how this conclusion was reached. The second issue concerns Marshal Antonescu: I think that many things are not known, understandably in fact. Anti-Jewish laws existed in Romania since 1938-39, on the basis of which property was expropriated and Jewish children were no longer accepted into schools; as for Marshal Antonescu, you must know that as Hitler's ally he ordered the expulsion and destruction of the Jews of Bessarabia. In 1939 there were 350,000 Jews in Bukovina and Bessarabia; only 50,000 were left after the war. Consequently, some 300,000 were killed by the Romanian Army in atrocious ways—women, children, and old people were shot or pushed into the Prut river—while others were deported to Transnistria, all the way to Odessa, where they were burned to death, again by the Romanian Army. There exist undisputable documents about these atrocities, which of course were not publicized here during the communist period, but they exist. Each nation has its lights and its shadows and they have to be known regardless of why they happened. As for deportations to camps, they had already been prepared by the beginning of 1943, but the leaders of the Jewish community—Fliderman and Safran—appealed to Queen Mother Elena and to the king, who managed to persuade Antonescu not to carry out those plans. In fact, the situation on the front was going badly, so that in the end the plans were given up. From that point on it is true that Jews were being deported to Auschwitz from Horthy's Transylvania and that many of them tried to save their lives by escaping to Romania. That fact is as true as are the others. So there were good parts and bad parts. All we want today is that people in Romania know exactly everything that happened, so that they can make an educated judgement, not off the top of their heads. That can be beneficial to all of us.

[Munteanu] There is currently anti-Semitism in other ex-communist countries—Poland, Czechoslovakia, and Hungary—and even more violent than in our country, don't you think so?

[Mazel] Of course, there are problems in every country. Except that we in Israel love the Romanians and people there don't understand what is happening here. Anyway, I am convinced that as the truth is increasingly better known, the situation will improve.

HADASHOT on 'Painful' Decision on Golan

TA2807095091 Tel Aviv HADASHOT in Hebrew
28 Jul 91 p 2

[Editorial: "Long Is the Road to Turkey"]

[Text] Regrettably, Mubarak is correct in his pessimistic forecasts about the peace process. There is a great temptation for Yitzhaq Shamir to drag on until the U.S. elections and to avoid the painful decision of returning

the Golan Heights. After all, this will not be an ingratiating decision on Shamir's part. Menahem Begin did not gain legitimization from the left following the peace with Egypt (see the 1981 election campaign results) and even lost the support of some of his right-wing colleagues. Many, including Alignment members, still complain that a better deal could have been struck at the time with al-Sadat and that not all of the Sinai should have been returned.

The decision regarding the Golan Heights will be much more problematic: Shim'on Peres, Yitzhaq Rabin, and Beni Begin already align themselves with Ge'ula Kohen and Rehav'am Ze'evi in the demand not to return the Golan. So, regardless of his decision, Shamir will not come out of this affair with legitimization.

Adding to this the feeling that so far Shamir has proved he is not interested in entering history, that his sole goal is to get home in peace, or even without peace, it seems that we are to expect the spread of last week's historic moment over a number of years, until we witness the emergence of an Israeli leader who will be prepared to pull from the fire the chestnuts of the Israeli defense leadership which bound itself to high-flown declarations about the indispensable importance of the Golan to our security, along the lines of "it is good to have the Golan, even without peace."

It is too early to start the car to drive to Turkey.

Qatzav Receives Invitation To Visit USSR

TA1907094491 Tel Aviv DAVAR in Hebrew
19 Jul 91 p 14

[Report by Arye Arad]

[Text] Transportation Minister Moshe Qatzav will soon visit the Soviet Union at the invitation of his Soviet counterpart, Boris Panyukov. The minister was given the invitation yesterday.

In his letter, the Soviet minister expressed his satisfaction with the developing bilateral flight ties, but refrained from addressing the delay in ratifying the permanent flight accord which is supposed to set the terms for regular direct flights between the two countries. The agreement was signed approximately two years ago.

Three temporary charter routes currently operate between Israel and the Soviet Union: El Al flies to Moscow, while Aeroflot flies from Riga and from Tbilisi.

Controversy Over the Western Wall Continues

91AE0588B Tel Aviv HA'ARETZ in Hebrew
15 Aug 91 p 9

[Article by Avi Katzman: "They're Louts, Rabbi Getz Said"]

[Text] The fight over the Western Wall continues: GADNA [paramilitary youth organization] Commander

Colonel Yisra'el Asaf against the forces of Western Wall Rabbi Me'ir Yehuda Getz. Defeats and victories alternate. The media claims that the Western Wall is a national-historical-archeological monument, so why should the orthodox confiscate it from the public, decide who will do what there, and tell the IDF [Israeli Defence Forces] what to do? Even the compromise reached between the GADNA and the chief rabbinate this week concerning the 14 August completion ceremony of the GADNA's summer projects was described as a "humiliation for the IDF." Once again there was talk of the "blood of our soldiers," but in contrast to other religious-secular controversies, this time there was no claim that "they are trying to return us to Middle Age darkness."

That claim would not have worked, because the ones who are trying to return us to Medieval darkness are the same ones who insist on holding military and pseudomilitary rites at that primarily religious monument, which is defined as a religious monument even in the bill dealing with the Holy Sites, not to mention the last 2,000 years of Jewish history or the daily realities of the past 24 years.

If they want to hold military ceremonies in the area, there is a nice expanse at the Jerusalem Promenade that looks down on Temple Mount and is full of kites, little children, and tourists, just right for swearing in ceremonies and weddings, and besides it is cooler.

Last Wednesday, Western Wall Rabbi Me'ir Yehuda Getz celebrated his 68th birthday by tendering his resignation to Minister Avner Sciaki, "In order to preclude clashes between Jews." The father of 11 children lost his eldest son, a paratrooper and a contractor, in a battle fought close to the Western Wall in the Six-Day war; five years ago he lost another son, an Air Force man who was deliberately ran over by a truck in the territories. He himself was a major in the reserves; he served as commander of an area defense base and before that as an artillery officer. Before coming to the Western Wall about 25 years ago, he served as a rabbi in the Galilee, in the moshav Kerem Ben-Zimra, which he founded on his arrival in the country from Tunis in 1948.

He is a roly-polly man with a sense of humor and abundant inner sensitivity. No, he is not related to the late saxophone player Stan Getz—"I heard about him but I never heard him; I have enough music here at the Western Wall."

Getz is principal of the Bet-El Yeshiva, the Kabbalists' Yeshiva founded in 1733, the oldest yeshiva in the world. They have mysterious internal laws and they continually work to reform the world and to kindle sparks from shells [qlipot—evil spirits in the Kabbala].

Being a "Kabbalist," his daily schedule differs from other people's, even from other observant Jews. "I sleep very little. I wake up at 2300—I am on winter time," he shows me his watch, "because I do not go by summer saving time. By 2330 I am already awake, I drink my coffee and go to the Western Wall for the midnight tiquin

[prayer for the restoration of the Temple]. After the midnight prayer I sit with my students until morning, and phone calls come in from overseas—asking for prayers for this Jew and the other, for surgeries and accidents, and for whatever ails the people of Israel all over the world. We pray and at dawn, as the sun comes up, we have another tiquin. In the morning, right after that, I take care of the day's urgent business. At 0900 I rest. I get up around 1200 and give a class at Bet-El Yeshiva. Around 1330-1400 I come here to take care of office issues. When there is pressing work I do not sleep, I am available to serve the people of Israel."

During the phone call that interrupts our discussion he sends regards to Shim'on Bar-Yoha'i, may he intercede for us and for all the people of Israel. He describes the situation to the caller as "...a mixed blessing, that is to say, something good came out of something bad, so that everyone who wants to come to the Western Wall to hold a ceremony or something like that, will know exactly what he may do and what he may not, and will not slip into things that may violate the holiness of the Western Wall."

He came to the Western Wall in the wake of the death of his eldest son. "My wife used to come here twice, three times a week. I had lost a son and I saw I was about to lose my wife," he whispers, fighting back the tears that filled his eyes and excusing himself for this display of emotion, "so I decided to leave everything and move to Jerusalem. Without a job, without an apartment, without anything, in order to save my wife. The minister of religious affairs, Wahrhaftig, heard that I was unemployed in Jerusalem and suggested that I come to the Western Wall. At the time there were enormous problems about the Western Wall, there was all the confusion that followed the liberation." Leibowitz called it then the "Disco-Wall." Rabbi Getz did not accept Leibowitz's view, "But there was a lot of truth in what he said."

In principle he rejects any ceremony at the Western Wall, "...of any kind. I might give in to the paratroopers because I have special feelings for them, they liberated the Wall and most of my family members are paratroopers. I have a special feeling for those wings. On the other hand, I might say 'No' even to them—there should be no ceremony at the Wall." In practice, however, a good number of ceremonies are held at the Western Wall, where he is a rabbi: The closing of the Maccabiah [Youth Olympics], Hadassa [Organization] women, the Jewish National Fund and the United Israel Appeal, highschool graduation ceremonies, festivities for new immigrants, and Bar-Mitzvahs. Couples have pictures taken before the wedding.

[Katzman] And you allow all those ceremonies, weddings, and bar-mitzvahs?

[Getz] Not weddings. Bar-mitzvahs—actually, what is a bar-mitzvah? It is a prayer. People go to a synagogue. Where do you have the bar-mitzvah for your son or your

grandson, is it not in a synagogue? So this is the synagogue of all Israel. Coming up to read the Torah, that is a synagogue. So I cannot forbid bar-mitzvahs, so there is a lot of hoopla, so, what can I do about that?

You see, Jewish tradition always looks at everything from two angles, from the inner angle and the external angle. From the external viewpoint, a bar-mitzvah means a lot of noise, crowds, celebration, it is not appropriate to the serene atmosphere expected of the Western Wall. But on the other hand, we have to understand why people want to come to the Western Wall. Is there a shortage of sites in the country? They come here because—even without realizing it or understanding it—they seek something spiritual. The national soul, the inner Jewish soul, as our poetry refers to it, seeks spirituality.

And the GADNA itself—what does it want at the Wall? Why the Wall of all places? Because this is the center of holiness, of purity, of national feeling, of history, of everything to do with the Jewish people. That is what everyone seeks here. And it is difficult to turn them down, it is tough, but we have to preserve a minimum of holiness, as it is proper.

[Katzman] But if you do not agree with it, why do you allow it?

[Getz] Because no public organization has been formed to forbid it and I was appointed to make the selection, what is allowed and what is not. I carry out the policy decided by the minister and the chief rabbies of Israel. You asked about my private views, but this is not a private position, it is a public one. I am in charge and this is protected by the law regarding the holy sites. It was my authority to make a decision on an issue under the examination of the High Court of Justice when I forbade the Reform women to hold their prayer here. They appealed to the High Court of Justice and I won. It was, however, a provisional decision, because in the meantime there was a second high court of women in the United States.[as published] Anyway, for the time being the decision of the High Court of Justice was that only the Western Wall [authority] is authorized to decide, without right of appeal. I do not know when the final decision will come, perhaps after the coming of the Messiah there may be another decision."

[Katzman] This is not the first time that the GADNA was holding a ceremony.

[Getz] There were always problems, because this involves youth, and like all the young people—may they live—whether religious or secular, they are wild. They come here, 5,000 young people—God keep them—or 4,000 or 6,000, and hang around the piazza for hours. How do you keep kids out of trouble? You cannot believe it if you have never seen the likes of it. There was not only a desecration of the holy, but a desecration of the human in human form. They laid on top of each other—do not quote me, say they were climbing on top of each other. They did not lay down, they climbed on

each other. There was fondling of sexual parts in plain sight of everyone. And that was not one kid, or two, or three, or 20, or 100, or 200. There was whistling, yelling, hey-hey, wild singing, running around, a long trestle where they were jumping on each other. Is that the Western Wall? Young people are brought here to absorb spirituality.

And I, like a dog, believe me—and I am not an extremist, I am not extremist at all—I am running from one officer to another, from one sergeant to another, shouting, what is this, stop it, get control of your men. Nothing. Rabbi Goren was here, he is a Yeshiva principal here, and he shouted at me, Rabbi Getz, what have you done here, this is a desecration. What is going on, have you turned the Western Wall into a beach party? At me, he was shouting at me! I am running from one to the other and he yells at me. I accepted it. I deserved it, I was responsible. I would not say, "they," it was me. I said to him, Rabbi Goren, I promise you, next year this will not be held here. But that is what I should have said before it happened.

[Katzman] Was that something typical only of the GADNA?

[Getz] There are never so many young people at once. At times there is loud singing, but embracing? Let us say a soldier has not seen his girl friend for three months and he is here for the oath taking. So all right, it is only one of them, and his sergeant calls him to order, and that is that. So it is not a tremendous crowd. The NAHAL [Pioneer Fighting Youth] tends to go wild a bit, but especially on the way out; after a ceremony they hug, but near the Dung Gate. "The pauper will be lifted from the dung-heap."

[Katzman] It has been said that you insult IDF soldiers.

[Getz] What has the IDF to do with the whole controversy? When IDF soldiers come here for an oath taking ceremony I let them have all the telephone lines to call home, I even take them to my home for a shower—I live in the quarter. We welcome them with love. Who is the IDF? The IDF is mine, yours, ours. But the GADNA behave like louts.

[Katzman] You have tough customers.

[Getz] My job at the Wall is completely different from any other rabbinical job in the world. Whatever I do, someone is against it. Automatically. If I am lenient, there is opposition; if I am tough, there is opposition. But I have been dealing with this for almost 25 years and thank God, aside from some outburst here and there, the situation has been more or less all right.

[Katzman] Who is a tough customer?

[Getz] The beggars. The panhandlers. It is terrible. The same beggar, in the morning he needs money for his son's Brit Mila [Circumcision ceremony], at noon he needs money to buy phylacteries for his son, and in the evening he already needs to bury his grandmother and

does not have a plot of land. They are all wealthy, those beggars. Some of my students rent housing from them, and you would not believe the cheating. The struggle here is so hard and the panhandling keeps coming back. You shave, but the beard grows back; you can never be rid of it.

[Katzman] Are there any messiahs here, too?

[Getz] Madmen. There was one interesting story. A few years ago I came for midnight tiquin, and there are clear instructions not to bring anyone to me at such a time. That is the only hour I have to commune with my Maker. So one usher says, look Rabbi, there is this Jew, he keeps pestering me, keeps reciting Psalms all the time, and he wants to talk to you. I let him in. I could not take it anymore. So he comes in and says, "Just now I talked to the Ruler of the Universe and I asked him, why do you not send us the Messiah? And He said, because you have to offer a sacrifice. I said, what sacrifice? And He said, you must offer one of your sons. But I have five sons and I do not know which one to take, so He told me, go now to Rabbi Getz and he will tell you which son."

I saw with whom I was dealing, I immediately stopped my spiritual observance and called up the man's brother-in-law, whom I know—he is a rabbi at a yeshiva here in Jerusalem—and told him, listen, your brother-in-law has gone mad and he may now go home and kill one of his sons. Please go and save them. And take this man in for treatment, confine him. The man is to this day still in the hospital. He was quite serious about sacrificing one of his sons.

Madmen, there is no end for madmen. Last year on Rosh Hashana [New Year] a woman came and, in my wife's presence, said she had come to conceive with me, because God told her that she will give birth to the Messiah from me. The next day one of her relatives put her on a plane.

[Katzman] Do people come to you with special requests or for cures?

[Getz] I do not have any cures. I am against it. I am against rabbinical charms, it is nothing but charlatanry.

[Katzman] There is trade here in holy pictures and red threads.

[Getz] I am fighting it to the death. I tell them, what you are doing here is idolatry.

[Katzman] Are they selling stones from the Western Wall?

[Getz] No. They tried in the beginning, but it did not work.

[Katzman] Are there many born-again Jews here?

[Getz] There are. Finding religion is a beautiful, but exaggerated phenomenon. They take Rabbi Avihu too seriously; he said that even perfectly righteous men

cannot rival the born-again. (Rabbi Getz laughs) They are taking that too seriously. Rabbi Avihu meant that they can get away from the evil spirit, that the emotional power to get away from the evil spirit is much more important. That was what he meant, not that they are better than a righteous man.

[Katzman] Does it ever happen that secular people come here and get into a religious trance?

[Getz] Anyone who goes into a trance is mad: 100 percent crazy. There is tremendous emotional response. I can see it in people's faces, I can tell who is a Jew and who is a Gentile. Jews look at the Wall with a kind of yearning, with longing. A special kind of look that cannot be described. Gentiles look at it and wonder what the Jews see in this wall. But Gentiles of a high moral standing experience an extreme emotional response about being at the Western Wall. I met many people like that. For example, there was the Archbishop of New York (Cardinal O'Connor). He was anti-Semitic. He came here to the Western Wall and I was told to welcome him with all the honors so he would be less caustic toward Israel. I did him a great honor, I personally received him at 1030, which is my hour of rest.

As we were standing here, he told me, where is your praying place? I said, here, at the Western Wall, all the people of Israel are equal. That is to say, the interpreter told him that. I speak French, I understand a bit of English—I can read it perfectly, but speaking is more difficult, I certainly cannot express myself, so I get an interpreter to help. I said that all the people of Israel are equal, there is no ruler to dictate, in Jewish tradition everyone is equal. Nine great rabbies cannot say the Kadish Prayer, but ten Jewish shoemakers can.

But he was not giving up. Again he asked where I prayed, so I said I prayed like everybody else, but when I want to pray privately I have a special spot. He said he wanted to join me in prayer. I took him inside, before the Holy Ark. He said, let us pray together, I have a book of Psalms in English. I opened it to Psalm 84. And this Gentile cried. He stood next to me, embraced me, and cried. In the end, when we went out, he said to me, "Bless me, bless me, Rabbi." [in English in the text] Something similar happened with the vice archbishop of Canterbury.

There is an even more interesting phenomenon among the high priesthood. After I tour with them we sit down for a chat, usually about some religious-moral-spiritual topic. The head of the Benedictine Order was here, spoke French, and after the tour we sat and talked. It is hard to believe, but he said to me, "Rabbi, I do not want to ask myself unnecessary questions, because if I did, the answer would be that I would convert to Judaism. He was embarrassed. That is what happens here when the Wall opens their heart. It is a miracle. I have seen this happen to many, many people.

[Katzman] Do you read the notes in the Wall?

[Getz] I do not. That would be invading people's privacy. I have an aversion to that.

[Katzman] In his prayer room at the office he has a brass plate which says: Office of the Rabbi Me'ir Yehuda HN Getz of Temple Mount, administrator of the Temple. Yes, he smiles, it is a secret appointment, director general of the Temple. However, after the compromise reached this week between the rabbinate and the GADNA, the smile disappeared from his face. Rabbi Getz refused to comment on the compromise. Rabbi Getz is determined to resign, sources close to him reported, he will not budge an inch. Perhaps that is only a tactical move, the next act in the play, the sparks and the dung-heap, the social reform, and the secret threads reaching out from the Bet-El Kabbalistic Yeshiva in Jerusalem.

Violence in Territories Expected To Escalate

TA2607141191 Jerusalem THE JERUSALEM POST
in English 26 Jul 91 p 20

[Report by the defense correspondent and ITIM]

[Excerpts] The more deeply involved the political process becomes in the region, the more violence there will be in the territories—including the use of firearms—say senior military sources.

In their estimation, this phenomenon is the outcome of a feeling among intifadah leaders that the Palestinians are being shortchanged by the process. They say this escalation can be seen in incidents in the territories over the past few days, particularly those involving firebombs and firearms. [passage omitted]

—At Gaza's al-Nusayrat refugee camp, the home of cabdriver Jamil al-Baz, suspected of purposefully running down and killing one soldier and wounding another last Friday, was sealed by the security forces Wednesday night.

—The Janin Military Court yesterday imposed sentences of up to 10 years on three persons convicted of illegal membership in a terrorist organization, the Democratic Front. The three are: Iskandar Kitrawi, 33, of Jericho (10 years); Sa'id Jabir, 26, of the Balatah refugee camp (seven years); and Ahmad Basharat, 34, of Jifliq (four years).

—The Hebron Military Court yesterday imposed a 12-year sentence on Nabil Abu-Khabita, of Yattah, for leading a gang of firebombers responsible for 18 attacks on the homes and stores of suspected collaborators. The court also sentenced a fellow gang member, Musa 'Aruri, to 11 years, and two other gang members to terms of seven and five years for their part in the same crimes.

—The above incidents took place against the background of a general strike in the territories yesterday, called by the intifadah command to display solidarity

with security detainees. Despite the strike call, some 19,000 workers left the Gaza Strip to work in Israel yesterday.

'Riot Squads' Investigating Intifadah Incidents

TA1408094891 Tel Aviv HA'ARETZ in Hebrew
14 Aug 91 p A1

[Report by military correspondent Eytan Rabin]

[Text] The Israeli police has begun operating units called "riot squads" to investigate riots and disturbances involving the use of stones and firebombs. This is the first time that the police will investigate such incidents in the territories.

The first squad was set up a few months ago in the Judea District at the request of Major General Dani Yatom, commander of the Central Command. It consisted of seven seasoned investigators commanded by an officer bearing the rank of chief inspector, and it was very successful. IDF [Israeli Defense Forces] and police officers say this squad solved many complicated cases which the Shin Bet and the Army had failed to solve.

Consequently, Gen. Yatom asked Police Commissioner Ya'aqov Turner to set up another squad in the Samaria District. The second squad was established a month ago along the same lines of the one operating in Judea.

When the investigation is completed, the findings along with the recommendations of the investigators are submitted to the IDF and the Shin Bet and the suspects are brought to trial.

A senior police officer last night confirmed that the "riot squads" had been set up at the IDF's request. He noted that their success in investigating intifadah incidents notwithstanding this has come at the expense of other criminal investigations.

According to the officer, the Israeli police has not been assigned additional investigators to replace those busy with the intifadah investigations and this has affected the regular investigation of criminal cases.

Commissioner Turner yesterday stated that he regards the IDF's request as an expression of confidence in and appreciation for the Israeli police.

MK Eytan Visits Eshkolot; Settlement Statistics Given

91AE0579A Tel Aviv MA'ARIV in Hebrew 7 Aug 91 p 3

[Article by Uri Bindar and Hanan Shal'in: "Rafoul Toasted 'Lehayyim' in Eshkolot and Leftists Demonstrated on the Other Side of the Fence"]

[Text] Minister of Agriculture Rafa'el Eytan opened his tour of the southern Mount Hebron region yesterday with a toast 'Lehayyim' in the soldiers's club in Eshkolot, which yesterday changed officially from a Nahal outpost

to a community settlement. Rafoul ignored in his comments the political controversy surrounding the conversion of the outpost to a civilian settlement precisely during the moves towards Middle East peace.

The chairman of the Mount Hebron Regional Council, Ron Schechner, described to the minister of agriculture the water shortage of the Sham'a and Eshkolot settlements. Water is supplied to these settlements by means of tankers, and in other settlements there is a problem of irrigation of orchards and an urgent need for drilling.

When Rafoul left Eshkolot, leftwing demonstrators arrived and positioned themselves next to the entrance. Avshalom Vilan, the secretary of Mapam, attacked the government for having approved the conversion of the settlement's status to civilian. "The present government has barely said "yes" to Baker, and it is already paying off the Right in the form of Eshkolot. Who needs this? The peace camp will not allow the government to retreat from the peace," he said. Benny Temkin, the secretary of Ratz, accused the government of saying yes and no and of establishing settlements in order to sabotage the chances for peace.

'Opening Shot'

Naftali Raz, of Mapam, was the moving spirit behind the 18 youths who demonstrated against the settlement. Raz called on the demonstrators not to get into a confrontation with the soldiers of the IDF, who prevented the demonstrators from entering the settlement, which in the morning was still a military base.

In an impassioned speech, Raz called, "This time, the peace camp will not accept things and will not allow the chances for peace to be missed. This is the opening shot in a stubborn struggle."

The residents of the settlement and members of the Gush Emmunim settlement movement, Amana, stood far from the fence and avoided getting into a confrontation with the demonstrators, who left the area after about an hour of protest chants.

Additional members of the group that is to change the status of the place to civilian arrived during the day. The chairman of the secretariat of the group, Moti Lifschift, related, "We began to get organized four years ago in the settlement of Yatir, and several families went there to live a year ago. It was a good crystallization and preparation for going up on the land. We exerted pressure to get here, but we were not answered. Suddenly, whoever it was decided to bring us up now, and here we are, really happy."

In contrast to everything that was published, caravans have still not arrived at Eshkolot, and the first six families are living in cabins that were vacated yesterday by soldiers of the Nahal. According to plans, the first caravans will arrive already this week.

Twenty-five families with 30 children are registered in the group for Eshkolot. The educational system in the region is preparing for a rapid absorption of the families, who have expressed their readiness to settle in the place immediately. The members of Gush Emmunim hope that a community settlement will be established in Eshkolot that, in its final stages, will reach 400 families.

Meanwhile, members of Amana are helping the families convert the neglected Nahal outpost into a civilian place of residence. Teams from the Mount Hebron Regional Council have begun to connect the empty cabins to the electricity grid. The Nahal soldiers hurried yesterday to pack their equipment and to load it onto trucks.

"Within a few months, there will be five times as many families in Eshkolot as in nearby Kibbutz Shomria," said yesterday Uri Ari'el, the secretary of the Judea, Samaria and Gaza Council.

Settlements of the Shamir Government

Date	Location	Data	Who approved and when	The political development
June '90	Upper Beytar, next to Mavo Beytar. Defined as a thickening	Plan for 8,000 apartments. A few families now live there	Not approved as a separate settlement	The formation of Shamir's government
April '91	Ten thousand [?] next to the Yakir Intersection	18 families settled	The political level approved	Close to Baker's third visit
April '91	Talmon B, defined as a thickening	Seven caravans were put into place	Not approved as a separate settlement	On the eve of Baker's third visit
August '91	Eshkolot, in the south of Mount Hebron	Said to be 10 families settled 22	The decision was in '83. Arens and Shamir approved it recently	Five days after Shamir's positive reply to Baker

Knesset Bloc To Promote Direct Elections

TA2507044991 Jerusalem QOL YISRA'EL in English
0400 GMT 25 Jul 91

[Text] Three factions in the Knesset have decided to form a bloc to support the bill to elect the prime minister directly. Together, Tzomet, the National Religious Party, and the Movement for the Advancement of the Zionist

Idea comprise 11 Knesset members. SHAS [Torah Observing Sephardim] is considering joining the bloc.

A Qol Yisra'el reporter says the bill has enough support to pass, if Likud gives its members a free vote. The Labor Party said yesterday it had gathered the 30 signatures required to reconvene the Knesset during its recess in order to vote on the bill.

Article Profiles Histadrut Leader Qeysar

91AE0550A Tel Aviv HA'ARETZ in Hebrew (Sabbath Supplement) 12 Jul 91 pp 4-5

[Article by Arye Dayan]

[Text] At the Labor Party Central Committee meeting on Sunday, called to discuss a proposal to distinguish between members of the party and members of the Histadrut, Yisra'el Qeysar provided public confirmation of something that until then had only been discreetly whispered in the party—whispers had gone around in recent weeks that Qeysar and his supporters were behaving in the innermost recesses of the party as though he had already been crowned chairman of the Labor Party. Others even claimed that they were acting as though he had already been picked to lead the government: drawing up plans, drafting platform planks, making election lists, and disqualifying candidates. According to one rumor, Qeysar even began to put together a list of ministers whom he would appoint to his administration. Another particularly stubborn rumor had it that Qeysar's clique "had already reached an agreement" with the doves of Hayim Ramon's and 'Amir Peretz' factions demanding severance of the ties between the party and the Histadrut. The rumors were spread by Qeysar's opponents, but fanned by none other than his backers.

At the meeting, Qeysar, and especially his supporters, acted like people confident of themselves and their political future. It was the little matters that made this clear. Qeysar, for example, sat in the fifth row, not exactly in the front of the hall but also not too far from the podium. He took the second seat to the left of the aisle, not right on the end but not far from it, either. That allowed his fans to play up to him, to come by easily but not too easily, and to shake his hand. The impression in the hall was that Qeysar is the rising power of the Labor Party; the number of those fawning on him was no less than the number of his supporters.

The choice of Qeysar's seat was no accident; his aides had saved it for him well ahead of time. As a result, he was able to enter the hall after it had filled. His entry, three minutes after Micha Harish, the party secretary, called it to order, was accompanied by a round of applause and seemed well rehearsed. That was not the only gesture Qeysar made at the session that brought to mind the conduct of David Levy and Ari'el Sharon in their own party central committee.

Qeysar kept aloof from his colleagues at the top. Not a single leader of the Labor Party, only second and third rank officials, sat in the fifth row with him. In that way, he showed everyone that he was "one of the people," proved that the "people" stand behind him and demonstrated independence from the current leadership. He feels certain that this distance from the leadership adds to his popularity in the center.

All these tactics worked, perhaps better even than his handlers had imagined. The impression in the "Ohel-Shem" hall was that Qeysar's supporters had gained control of the Central Committee. Even Qeysar's consent to the Harish-Liba'i incident, by heading off a vote that would have revealed his true strength, contributed to that impression. His supporters, about 200 of the 600 members present, seized the central block of seats in the hall, directly behind the leadership. From there, they took an active and vocal part in the meeting. Qeysar's supporters are mostly secretary-generals of workers councils and NA'AMAT [Association of Working and Volunteer Women] chapters, members of the Central Committee and chairmen of local workers' committees, directors of Histadrut branches and officers of the workers' council. They were joined by a large number of representatives from Takam [United Kibbutz Movement] and the moshav [semicomunal settlement] movement.

When Qeysar rose to speak, his supporters broke out in prolonged, rhythmic applause. "Be the next party chairman," one of them shouted. "Be the next Prime Minister," someone else went him one better. Qeysar is not a fiery speaker. This time, he spoke smoothly, with great self-confidence and more than a little arrogance and braggadocio. After a string of sentences that he felt were unusually hard-hitting, hand clapping interrupted the flow of his remarks for some moments. His supporters eagerly responded to him. Here and there, he shot questions to the crowd. "If we accept the severance proposal today, it may be possible tomorrow, God forbid, to elect a new Secretary-General who is not a member of the Histadrut," he warned. "Are you ready to agree to that?" His supporters answered as expected.

Qeysar's speech abounded in outdated pseudoideological expressions ("the Histadrut is the anvil on which the decisions forged in the Party foundry are hammered out") and unoriginal jokes ("I have a watch," he retorted when the chairman reminded him that his allotted time had run out. "It may be a Histadrut watch, but it is not slow."). His supporters enjoyed both the adages and the humor, applauding the former and laughing loudly at the latter. But they responded primarily, with open delight, to Qeysar's attacks on his foes, those who are advocating the split between membership in the party and in the Histadrut. More than once and without naming names, Qeysar cited those "Knesset members from the Labor Party who attack the Histadrut." "That is alright," one of his followers in the audience replied. "They would not be sitting in the next Knesset." Qeysar smiled from ear to ear.

When 'Amir Peretz and Hayim Ramon ascended the platform, Qeysar's supporters would not let them speak unhindered. They shouted out demands for withdrawal of the proposal and peppered the speakers with provocative and sometimes insulting interjections, only a few of

which were to the point. They called Ramon "kiddie" and "enemy of the Histadrut" and Peretz "sonny boy" and "Bozo." Someone even announced, in what seemed to him a telling bon mot, that there was more in Peretz' mustache than in his head. Relentlessly, the crowd branded the two men "Likud lackeys" and told them without let-up to go to Cairo, a reference to opposition to the dovish positions expressed by the seven who went to Egypt. All this happened in the outgoing Central Committee; all signs indicate that in the next one, which will be chosen by a committee to be formed on the basis of the census, Qeysar's strength will be much greater.

Throughout, Qeysar sat silently. If he took pleasure from the commotion provoked by his followers, he did not give any hint of it. On the other hand, he made no attempt to put a stop to the disturbances. Each time he turned his head around, as if to see who was who among those calling out and shouting, his silence and expression encouraged his supporters to continue their misconduct. Some of them, it was clear, sought to draw the boss' attention more than they wished to heckle Peretz and Ramon. Peretz said afterwards that he had seen Gid'on Ben-Yisra'el, one of the Qeysar faithful, writing down the names of the agitators in a notebook; in Peretz' opinion, to reward them.

The session lasted three hours. The cramped hall was nearly packed, and the air conditioners could not ease either the heat or the stuffiness. Nonetheless, Qeysar did not budge. Even Shim'on Peres and Yitzhaq Rabin, who were seated in the first row, never moved. But there was a big difference between what happened in the first row and in the fifth. Peres and Rabin sat with bored looks, as though unconnected to what was happening in the hall. Almost no one approached to say hello to them or shake their hands. Rabin even managed to catch 40 winks. Qeysar, by comparison, never stopped shaking hands and returning nods of greeting. The next day, when asked how he interpreted that distinction, he said that he had not noticed it.

Those close to Qeysar say that he has already made a decision: He will throw his hat in the ring for leadership of the party. He has also decided, they add, that he will not publicly announce his intentions for the time being. He has convincing reasons and justifications for that, which they are not prepared to reveal. It is very possible that even they, the inner circle of the Histadrut secretary-general, destined to man his election platform, still have not heard from him the specifics spelling out his reasons.

This caution on Qeysar's part need not have surprised them. Anyone who has followed Qeysar's political career knows that caution, and even conservatism to a large degree, are his two prime attributes. Many of his acquaintances say that he knows very well that the Histadrut needs reforms and a change of direction. He himself spoke of that when he was elected to lead the organization. But his cautious, conservative nature has proved too strong for that need. Throughout his seven years as secretary-general of the Histadrut, he has shut

his ears to all proposals for structural changes too fundamental or too far-reaching. He has rejected even a proposal to allow new immigrants who do not want to join the ranks of the Histadrut to use the services of Qupat-Holim [Histadrut run health clinics]. Qeysar regarded that proposal as a first step towards drastic and revolutionary reforms.

Qeysar has a third, less prominent characteristic. He makes all the important decisions on his own and he usually takes his own sweet time in making up his mind. One example is his decision, after much thought and delay, to expel Dani Rosolio from the management of Hevrat-HaOvdim [the Histadrut holding company]. When he replaced Rosolio with Eytan Sheshinsqi, he made the decision by himself. On the night of the last Histadrut elections, he reserved a place on the central council for a representative from SHAS [Torah Observing Sephardim]. That was another of his exclusive decisions. Despite its political significance, he did not see fit to offer the matter for discussion in any party forum.

And what is his ideological outlook? Is he a hawk, as he is sometimes thought to be? No, he has no worldview at all. He is fit mostly for evening interviews. He has learned the art of covering that with a joke that he has nothing to say.

He has created for himself an image as a very cautious politician with unshakable patience. Qeysar is one of the few Knesset members who have never been caught in a slip of the tongue or had to apologize for a rash utterance. His admirers in the Histadrut's upper echelons, and they are legion, still fondly remember how he waited with infinite patience, quietly and tactfully, until Yeruham Mashal vacated his office.

But none of that will aid him very much when he announces his candidacy. What will make or break him will be his achievements and failures as secretary-general of the Histadrut. It is a problematic record, to say the least. It has been seven years since Qeysar succeeded Mashal. That was half a year after Ya'akov Levinson's suicide dragged Hevrat-HaOvdim into one of the worst and most bewildering scandals in its history. Consequently, the hopes pinned to Qeysar's arrival were sky-high. Some in the Histadrut and the Labor Party were convinced that Qeysar—the popular Yemenite, energetic, relatively young and a colorful speaker—was the antithesis of Mashal, the Askenazic MAPAI [Labor Party's precursor] man, aging, overweight, clumsy, and tongue-tied. After Mashal's artery-hardening term, it was thought that Qeysar would usher in a period of reform. It is doubtful whether any of them imagined that the Levinson-Bank HaPoalim affair that concluded Mashal's era was merely a prelude to the grand collapse that followed under Qeysar.

The list of failures that have beset the Histadrut during Qeysar's term is a very long one. First, Solel-Boneh [the Histadrut's construction company] went under. Then

Koor Industries' creditors, domestic and foreign banks, sought its dissolution. That subjected Qeysar to humiliation in long appearances before the Finance Committee and forced him to close factories and sell off assets at fire-sale prices. And worse yet: he was compelled to lay off 10,000 workers. In at least two instances—the Alliance tire factory in Hadera and the Soltam factory in Yoqne'am—the Histadrut met violent resistance from employees as a result. In Hadera, the Histadrut penned them into an enclosed area and then called in the police to clear them out; in Yoqne'am, striking workers were fought with dogs. If Qeysar is to be the Labor Party's candidate for Prime Minister, each evening will bring it pictures broadcast by the Likud campaign.

And that is not the whole list. The newspaper DAVAR, which was almost entirely coopted for Qeysar's intra-party needs, lost a substantial share of its readership and was thrown into endless financial crises. The HaPoel sport associations went bankrupt one after another, first financially and then athletically. All that Qeysar did to rescue the associations was to exchange the director-general, Yitzhaq Ofek, with chairman Yoram Oberqovitch. For more and more Israelis, the Histadrut has become less and less relevant. Data compiled by the National Insurance Institute show that estimates of Histadrut members among those insured by Qupat-Holim fell from 84 percent in 1984 to 76 percent in 1989. Among people under the age of 35, the decline is even more dramatic: from 82 percent to 66 percent in five years.

Even now, Qupat-Holim continues to be the house without a basement. To win government aid for the fund and its other failing enterprises, the Histadrut again and again has yielded on wage-earners' rights. Once, it authorized linking the cost of living supplement to just 70 percent of the index rise; another time, it assented to a delay of three months in the payment. They call that "mutual guarantees" in the Histadrut. Some of the wage earners give up some of their privileges in order to assure other benefits for everyone. The next scandal is already visible on the horizon: the Histadrut pension funds, whose collapse would leave hundreds of thousands of pensioners without income. Devastated pensioners will make another fine subject for Likud film crews.

True, they admit at the Histadrut, there was a crisis. It developed from both ineffective management and outside factors. But the main cause of the crisis was government policy, particularly regarding interest. Histadrut factories failed, but so did many factories not owned by the Histadrut. At least workers discharged from the Histadrut factories, unlike many others, received augmented layoff benefits. Aside from that, all this is a matter of the past, they say. Koor has regained its profitability, Solel-Boneh is already putting up some 7,000 housing units, 5,000 more than the most active of the private construction companies now at work. They point to what they believe are the Histadrut's other glowing successes. In recent years, it has built cultural centers and 10 development towns, instituted courses in

which 4,000 workers lacking high school diplomas received academic instruction, and opened a chain of country clubs that already have 50,000 members.

To be fair, it must be said that taking the secretary-general of the Histadrut to task has its problems because he is subject to criticism for opposite reasons. If he yields on 2 percent of the cost of living increase, he is not sufficiently militant and too soft to protect the interests of the workers whom he is supposed to represent. On the other hand, if he does not make concessions, where is his sense of national duty? What truly define the role of the Histadrut secretary-general are actually the objective conditions of the economy at the time. Just now, for example, there is unemployment, so the economy is quiet; no strikes are called because no one wants to endanger his job. That does not mean that the Histadrut secretary-general imposed the calm. Nor does it suggest that he is responsible for the unemployment.

Qeysar's supporters believe that the secretary-general of the Histadrut is an electoral asset to his party. They base their claim in part on what they hear, again and again, from Qeysar's own lips: the last two Histadrut election campaigns, which were led by Qeysar, have been the Labor Party's only two electoral successes in the past decade. There are settlements, Qeysar said this week, in which the Labor Party failed in its bid for the Knesset and at the municipal level but won a decisive majority in the Histadrut contest.

That may be correct, say Qeysar's opponents, but it is not all that relevant. Histadrut elections are not like Knesset elections, both in the composition of the ticket and, most important, in the issues at stake and the importance voters attach to them. It is also possible that Qeysar's electoral victories have not been as great as he likes to boast. In the 1985 Histadrut elections, less than a year after he replaced Mashal, the Labor Alignment, which then included MAPAM [United Workers Party], won 65 percent of the vote. Four years later, it garnered only 55 percent of the vote. Qeysar says that this is no decline but actually an increase, because, according to the Alignment agreement, 12 percent of the 65 percent won in 1985 belonged to MAPAM. He forgets to mention that MAPAM received 9 percent in 1989, not 12%. It also slips his mind that in the Knesset elections the year before, it brought home less than 3 percent.

Yisra'el Qeysar has the classic biography of a party activist. He has never done any other work. After the War of Independence, in which he took part, someone suggested that he enroll at the school the Histadrut runs for its functionaries. He met the right people, bided his time long enough, slowly advanced in the hierarchy, and now has arrived.

In the past 25 years, he has spent most of his time in the Histadrut's workers' council building. From his first day there, he adapted himself to the ways of thought and behavior of the Histadrut establishment. He was never

counted among the reform-minded there. He accumulated his political strength very gradually and with endless patience. His masters in this art were people once regarded as political power brokers whose names have been almost entirely forgotten in the past 10 years: Uri'el Abramovitz, Yehush'a Weschinah and Yeruham Mashal.

Now he feels that the time has come to continue his climb up the ladder. The Histadrut is a little too small for him, say his admirers. He himself said this week that he is very flattered by the fact that "people recognize my name as a candidate for the leadership of the party and the government."

Qeysar is a man who moves forward one small, measured step at a time. They say he is a man not of vision but of action. He has proved the truth of the first part of that description quite clearly during his seven years as secretary-general. With him at the helm, the Histadrut has lacked any social or economic vision. He has said almost nothing on political subjects. Seven years he served as a Knesset delegate and made hardly a single political speech. In Labor Party terms, it is customary to pigeonhole him as a hawk. In sessions of the National Confederation of Professional Associations, in which he served as deputy president, he was regularly assailed for his connection to the Histadrut's policy regarding Palestinian workers in the territories. Qeysar has told me that he answered them that nowhere in the world, including the Arab states, is there a professional association with more Arab members than in the Histadrut's.

HA'ARETZ Profiles Deputy Finance Minister

91AE0593A Tel Aviv HA'ARETZ in Hebrew 16 Aug 91
p 1c

[Article by Judy Meltz: "I Suddenly Found Myself Assistant Finance Minister"]

[Text] On one side of the corridor, on the fourth floor of the Ministry of Finance, sit the personnel of the Budget Branch, and on the other side, the heads of the State Revenue Administration. Exactly in the center is the office of the assistant finance minister, Rabbi Yosef 'Azran.

The corridors on the fourth floor are full of activity these days. In the Budget Branch, the officials in charge of the various ministries, their superiors, and the assistant directors are running about and passing back and forth documents and motions for the cabinet meeting on the triannual budget. In the State Revenue Administration, they are calculating the expected tax revenues for the next three years and are putting together contingency plans for the imposition of new taxes.

Only in the office of Minister 'Azran is everything quiet. As the K'nesset is now in recess, the assistant finance minister does not have a lot of work these days, as his informal function is mediating between the Ministry of Finance and the K'nesset. While the remainder of the

senior Ministry of Finance officials are attending feverish meetings on budget issues, employment plans, the preparation of a request for aid from the United States, etc., Rabbi 'Azran sits in his room and eats lunch.

To tell the truth, it is not hard to obtain an interview with the assistant minister of finance. Since he entered his position over a year ago, hardly one request to interview him has reached the office of the spokesman of the ministry. Economics reporters prefer to meet with the policy makers in the Ministry of Finance.

One of the first steps that Minister of Finance Yitzhak Moda'i took when he assumed his position was to transfer the assistant minister one floor up from his traditional place in the office of the minister of finance. The senior officials of the ministry treated with a certain scorn the chief rabbi of Rishon Le'tziyyon and the chairman of the Shas faction in the K'nesset, who had suddenly landed among them in the position of assistant minister. To them, the appointment of Rabbi 'Azran was one of the strange paybacks that had to be made for the establishment of a government in a parliamentary system.

Rabbi 'Azran, a very congenial and hearty fellow, does not take these things to heart, and also does not try to justify his position. "Listen," he says smiling. "You know that when the government fell, all kinds of positions were vacated, and I suddenly found myself assistant minister of finance."

But over the past year, persons at the senior level in the ministry began to esteem and like the bearded man. When 'Azran participates in conferences at the ministry, his colleagues there say that he always manages to insert a little spice into the dry and technical deliberations.

Rabbi 'Azran is a professional educator who does not claim to be an expert on economic matters. But, as he sees it, that is not a problem at all. "Roni Milo also is not a criminologist, and Ehud Olmert also is not a physician, and I do not know what officer's rank Arens holds. I think that, in general, whoever handles a government ministry does not need a background. It is good, but the main thing is judiciousness, correct understanding, and seriousness."

The assistant minister has never held a regular field of responsibility. Yosi Beilin, for example, received the subject of Europe 1992, Adi Amora'i focused on the capital market, and Hayyim Kaufman preferred to deal with tax affairs. The special position that was created for Rabbi 'Azran was the handling of parliamentary questions related to legislative proposals of the Ministry of Finance and motions from the floor. Professionals in the ministry sit with him and counsel him on every subject, so that he will be able to answer intelligently expected questions. "What is good about me is that I already understand the mentality of the MK's. I know, for example, that on that paragraph, on this line, Ya'ir Tzaban will ask me a certain question," he says.

During a conversation with Rabbi 'Azran, one might get the impression that he really got a good education in the ministry in the past year, and that today he is capable of disclaiming the liberal opinions of the senior officials of the ministry, and of speaking with ease about relatively complicated economic concepts. He notes, for example, the advantages of the preparation of a triannual budget, and explains that when one speaks about a budget deficit during a time of immigration absorption, one must differentiate between a deficit that stems from development expenditures and one that stems from an increase in consumption, which is not desirable. He even has an opinion on the subject of the guarantees from the United States: "Personally, I believe that the demands of the United States on the subject of guarantees and the aid stem not so much from the diplomatic conditions, but that they simply want to know what kind of market they are dealing with."

The assistant minister of finance admits that he does not always agree with the policy of his ministry, especially on issues related to welfare, but his job is to defend the policy. Within the framework of his position, he is also responsible informally for another area—mobilizing investments and developing economic relations with France—because of business connections that he developed during the years that he served as head of the rabbinical court in Paris. According to him, he has already succeeded in bringing to Israel a large French company involved in industrialized construction, and succeeded in persuading the French Government during his last visit there to grant Israel state guarantees in the amount of \$500 million.

Rabbi Yosef 'Azran, 50, the father of six, was born in Merrakesh and immigrated to Israel in 1957. He is a graduate of a higher yeshiva and was ordained as a rabbi at the Harry Fischel Institute in Jerusalem. He served as director of an educational institution in Morocco, as director of a boarding school in Strasbourg, as a neighborhood rabbi in Jerusalem, as director of a Torah

institution in Ashdod, and as municipal rabbi in Kiryat Malakhi, and, since 1976, he has served as rabbi of the City of Rishon Le'tziyyon. In 1988, he was appointed chairman of the Shas faction in the K'nesset, and since then he has been a member of the constitution, legislation, and legal committee and the committee for state control.

When he is asked whether there is a conflict of interest between his connections with the ultraorthodox parties and his position in the ministry of finance, where he is obligated to watch over the state's monies, he answers with a story: "A young couple from my community once came to me because of marital problems. After I had advised them, how did I know that I had succeeded? Both of them were not satisfied. If one side was too satisfied, then one would know that one had failed. It is the same thing here at the ministry of finance. The ultraorthodox MK's say that I am too etatiste, while the others say that I am for the ultraorthodox. So, because the two sides had complaints about me, I knew that I had succeeded."

As the assistant minister of finance spends most of his time at the K'nesset, he does not participate regularly in the discussions of the management of the ministry, but only in the important meetings that are related to the state budget and the economic programs. Aside from one instance of the reform in vehicle taxation, Rabbi 'Azran does not initiate or push ideas within the ministry. And why precisely on that subject? "Because here the issue was protecting human life. All the studies that were done prove that larger cars are also safer."

Despite the fact that he is the only ultraorthodox person in the ministry, Rabbi 'Azran said that he does not feel like an "outsider," and that today he has many good friends in the ministry. Is he satisfied with his position? "Listen, all the responsibility goes to the minister of finance, while all the accolades go to the assistant minister of finance. So why should I be not satisfied," he answers and laughs.

Foreign Currency Reserves Drop \$263 Million*TA0108125391 Tel Aviv IDF Radio in Hebrew
1130 GMT 1 Aug 91*

[Text] In July, Israel's foreign currency reserves dropped \$263 million and now stand at \$5,776 million. The decrease in the reserves is largely due to excessive purchases of foreign currency by the business sector to finance the rise in imports, which followed amplified activity in the Israeli economy.

The Bank of Israel today reported that last month the government collected 92 million shekels in revenues.

Statistics Show Trade Gap Widening*TA0108110391 Jerusalem THE JERUSALEM POST
in English 1 Aug 91 p 8*

[Report by Evelyn Gordon]

[Text] The first half of the year was not kind to Israel's trade deficit, according to statistics released by the Ministry of Industry and Trade yesterday.

Imports surged 11.9 percent in dollar terms compared to the same period last year, totalling \$7.4 billion, while exports dropped 2.5 percent, to \$7.36b.

But Gavri'ela Kohen, chief economist of the ministry's foreign trade administration, points out that what is bad news for the balance of payments is sometimes good news for the economy. She noted that investment goods, which often indicate future economic activity, posted a whopping 34.8 percent rise in the first half, while production inputs—another leading indicator—jumped 15.4 percent.

In contrast, diamond imports fell 18.6 percent, which bodes ill for this sector's output.

Imports of consumer products and fuel also climbed—by 21.2 percent and 19 percent respectively.

The gloomy export picture, however, had no redeeming features. Agricultural exports dropped 4.3 percent, while industrial exports, excluding diamonds, rose 4.2 percent in dollar terms. But Cohen points out that the latter rise constitutes a drop in real terms, since the international inflation rate was higher than 4.2 percent.

By region, the ministry noted that Europe accounted for 44 percent of Israel's exports and 58 percent of its imports, while North America claimed 30 percent of exports and 22 percent of imports. Imports from North America showed an especially strong 30 percent jump, which Kohen attributed to sizable imports of prefab housing, as well as increased car imports following the recent cut in purchase taxes.

Cars also pushed up imports from Asia by a hefty 35 percent, to 7 percent of total imports. Asia absorbs 17 percent of Israel's exports.

Eastern Europe was, unsurprisingly, one of the strongest growth areas, though still accounting for only 1.3 percent of Israel's exports and 1.6 percent of its imports.

Details of National Pension Plan Discussed*91AE0550B Tel Aviv HA'ARETZ in Hebrew (Sabbath Supplement) 12 Jul 91 pp 6,7*

[Article by Tzvi Har'el]

[Text] Tel Aviv District Court Judge Michal Ben-Ya'ir ruled on Tuesday this week that Ernest Japhet is entitled to receive a monthly pension of some \$35,000 (83,000 NIS [new Israeli shekel]), plus compensation of approximately \$1.5 million. To a large degree, one may say that the judgment represents a significant success for Japhet and his attorney, Yig'al Arnon. The victory may be measured by the fact that the bank sought to pay Japhet only the monthly pension, without any compensation, and that on the basis of \$15,000, which is the salary of the bank's current president, David Friedman.

Examination of Bank Le'umi's petition could have converted the matter into a stormy judicial affair in which the top legal and financial officers of the bank who had a hand in approving the agreement made with Japhet would be called to court. But Arnon (one of whose other roles is to serve as chairman of the board of directors of the International Bank), together with the judge and Bank Le'umi, drained all dramatic potential from the trial at the outset and gave it a minimalist treatment: three court sessions without witnesses, then a lightening verdict. The judge was glad to decide the most talked-about case of the year on the basis of the pleadings and documentary evidence without the need to hear witnesses. The reason he gave for disposing of the case in this way, that essentially it was an old matter, seemed strange in light of the fact that most trials in this country drag on for years. By his logic, courts have no need of witnesses in most cases. The parties went even further and agreed that the judgment would not include a statement of reasons.

But that is not the only suspicious aspect of the Japhet case. Judge Ben-Ya'ir's finding that Japhet is entitled to compensation of a million and a half dollars because his severance from the bank was a consequence of breach of contract, and because he has been forbidden in the five years that have passed since his departure from engaging in the banking business, is like the argument of the man who murders his father and seeks mercy on the ground that he is an orphan.

As the Beisky Commission revealed, Japhet was forced to leave the bank after he brought it to bankruptcy. Was the breach of contract with him not justified? Was it necessary to compensate him for that suspension, or would the court have been justified in deciding that he will have to get along on that bountiful monthly pension, which includes a very sizeable bonus clause?

In preferring to bring the case to a speedy end, Judge Ben-Ya'ir, a very conscientious jurist who just missed an appointment to the Supreme Court to fill a Sephardic seat, and who recently discharged Kolbotek lawyer Rafi Ginat, did not sufficiently take into consideration the public aspect of Japhet's pension.

The question whether Ernest Japhet would take the witness stand was not on the agenda because it was clear that he would not risk arrest by returning to Israel, where a criminal investigation against him is under way. It concerns the same events, but from a criminal rather than a civil one. Japhet is suspected of fraudulent acts linked to two separate matters. One involves fraud in the terms of his severance, the other concerns an official residence, a villa in a ritzy Tel Aviv neighborhood (close to Beit-HaHayal), that he bought from Bank Le'umi in 1978. Three months before the sale, the bank sent a certified real estate assessor to appraise its value. It is suspected that Japhet influenced the assessor's appraisal and, in the end, acquired the property at one half its price. The Jerusalem district prosecutor's office is looking into ways to have Japhet extradited to Israel.

Beyond the personal issue of Japhet, there stands at the center of the pension case, or should stand, the issue of the conduct of Bank Le'umi's board of directors, which granted him a pension of \$28,000 (before that, \$56,000) and retirement compensation of \$4.4 million (originally \$5.4 million). The directorate includes many people from the front ranks of finance, the economy and law: the industrialist Eli Hurvitz, who has declared that he could not sleep at night because of the affair; the lawyer Dr. Amnon Goldenberg; the industrialist Yosi Packer ("Packer Steel"), the former director-general of the Defense Ministry, Professor Pinhas Zusman, the kibbutz Michal Efrati and others.

According to statements made by board members cited in the bank's legal pleadings, Bank Le'umi had no reason to acquiesce to the court's advice to proceed without their testimony. Consider, for example, remarks made by Yosi Packer, who told the Tzadoq Commission that Japhet had played an active part in the decisions regarding his salary and the terms of his departure, and even proposed those terms, at a time when no one dared to differ with him. Packer went so far as to say that "Japhet dictated the essence of it."

Even the representative of the government's legal adviser, attorney Dalia Filosof (the daughter of Yitzhak Rabin), who was a party to the proceedings because of the public importance of the case, and announced that she had misgivings about resolving the case without witnesses called to testify, should have acted more resolutely. It is clear, however, that those who appointed her in the state attorney general's office accepted the court's proposal, which served the interests primarily of the board members.

Against the background of the directorate's woes in the wake of exposure of the affair (and it must be remembered that the bank refused for a long time to reveal the terms of the pension), and their claims that they were misled, did not know, had full faith in Japhet and so forth, it would have been only fitting for them to come forward now and offer the public more specific explanations for the astounding fact that they had no qualms when they signed a retirement agreement that, according to Bank Le'umi's lawyer, has no like even in the American banking system.

The bank averred in court that it has begun legal action against Japhet and is trying to avoid a personality dispute. The bank's attorney, for example, asserted that if it were to attack his character, it would supply the press story after story about his expense clause. Why not reveal Japhet's expense account, which was paid by the bank? Is this a private bank or a public one?

The extravagant retirement conditions granted Japhet were fixed in 1985-1986. From time to time, three or four members of the board of directors would meet as a kitchen cabinet to discuss his retirement terms. At the peak of his power, Japhet held two posts: president of the bank and chairman of the board of directors. Shortly before the night when the board members received word that the Beisky Commission was on the verge of delivering a warning letter (3 June 1985), and it was clear that he would be forced to leave the bank, Japhet succeeded in padding the terms of his release. The improvement took the form of a monthly pension totaling \$58,000 and severance compensation of \$5.4 million. The final retirement terms were fixed in November, 1986. Those serving on the committee were members Eli Hurvitz (chairman of the Bank Le'umi board of directors), attorney Goldenberg and Professor Zusman. Out of fear of public criticism, the committee met again and, with Japhet's consent, reduced the terms to a monthly pension of \$28,000 and retirement compensation of \$4.4 million (the final figure is calculated on the basis of compensation at the rate of 400 percent for each year of work, including the period in which he worked at Bank Igud).

So far, Japhet has managed to pick up most of the compensation (\$4.4 million) and the question is whether he will return the sum that the court judgment states he must give back. As for the monthly pension, that was paid to him for only a few months and was suspended when the bank filed its legal petition. As soon as the bank realized that Japhet had drawn most of the compensation, it put a lien on his assets in Israel. The court's judgment this week obliges Japhet to pay the bank \$2 million; if he does not pay back that sum, the bank will not pay out his pension in future years.

How was Japhet's salary, which formed the basis of his bloated pension, determined? Menachem Sel'a, an attorney who argued in court on behalf of the bank, said that all the agreements with him concerning his salary had to be nullified because they were illegal. Japhet was

accustomed to take part in sessions that dealt with establishing his salary and dictate the terms to a senior official, Hayim Buxbaum; the board of directors would act as a rubber-stamp. The bank contends that the terms of Japhet's retirement were never ratified by the full plenum of the bank or even brought to its attention, and were not approved by the full directorate.

Japhet claimed in court that it is customary in large Israeli companies to keep secret the salaries of their executives. I did not invent this practice, he said, I merely inherited it. The rationale for the custom is to attract capable management and, argued Japhet's lawyer, it is neither honorable, nor to be taken seriously, for those respectable members of the board of directors, all of them intelligent and experienced men, to come now and declare that the wool was pulled over their eyes and that they did not understand what they were signing. Contracts, Arnon went on, must be fulfilled, particularly when they involve a bank and all the more so when that bank is the largest in the country. Indeed, to an institution such as a bank, fidelity to legal and commercial principles is more important than financial profits reaped from violations of contractual obligations.

Although none of the central witnesses was ordered to appear, which robbed the proceedings of their drama, very interesting claims were raised in the case. Foremost among them was the question whether Japhet deserved the lavish retirement provisions, even compared to managers of large American banks.

Yig'al Arnon: "Your Honor, my position is that, if we are not beholden to populism, and I know that we are not, then in light of Japhet's stature and position and contributions, especially his contributions, of which I have spoken, and the path he blazed at the head of Bank Le'umi, all of which are unparalleled in Israel, the terms of his retirement fixed in 1985 were reasonable. I can imagine someone coming to me and saying, 'I have no contract, nothing at all, but here is my record, see how I have worked for them from the day I arrived 21 years ago. For that, I want \$5 million and \$50,000 per month.' Your Honor, this reminds me of the story about the sick man who had a successful operation and asked the doctor, 'What do I owe you?' The doctor says to him, 'Half of what you would have been willing to pay me before the surgery to assure its success.'

"If Japhet had come to the bank 21 years ago and said, 'Look, here are the facts, I will see to it that the bank goes from A to E,' he would have received four times as much. It is difficult in a case of this nature to determine the proper recompense. That is easy in America. The one who makes more money is also honored more, and is offended if word goes around that he earns less. Right away, he fires off a correction to the newspaper. In Israel, there was a time when we were ashamed to be businessmen. Here, the hottest, most interesting report in the newspaper is how much the chief executive makes. When the papers wrote that Aharon Dobert makes \$30,000 a

month, there was a storm in the Knesset, and Ora Namir said that such a sum could pay the salaries of 70 Kayton workers...."

Arnon continues: "Japhet wanted his salary to be the highest in the state of Israel because he believed that he was running the biggest business in the country, and had contributed to it as well. I am not here to make a pretense of saying that Japhet thought that he was receiving a low salary. The members of the board of directors believed that it was a proper salary for him, and that is why they approved it."

Menachem Sel'a for the bank: "When Arnon comes to praise Japhet, he invites us admire his achievements at the bank. 'Look at the state of the bank in 1963,' says Arnon, 'and what Japhet left them on his retirement in 1985. This was a bank with a balance sheet of \$1 billion and he is leaving it with \$22 billion.' That is a spectacular figure, but Bank Le'umi's share of the Israeli bank business fell during those 22 years from 60 percent to 30 percent. Is that an achievement or a failure? And what about the growth of the bank in relation to the gross national product? Israel was a small country in 1963. So what is the significance of going from 1 to 22?"

"Yesterday, Arnon compared Bank Le'umi to CLAL. CLAL has a net worth of a billion dollars while Bank Le'umi has \$22 billion. How you can make such a comparison with CLAL? With all due respect, sir, that is like the questions children are asked on entering preschool—what weighs more, a kilogram of iron or a kilogram of feathers? What equivalence is there between the worth of CLAL, which deals in iron, and of Bank Le'umi, which deals in money? We can consider a very simple example. We have been speaking about very large banks. There is a bank in the United States located exclusively in Manhattan. We could also take the new worth of General Motors. The worth of the bank is double that, but General Motors represents nearly 2 percent of the gross national product of the United States! Numbers have to be properly equivalent figures.

"Still other small points: Yesterday, Arnon argued that there is a certain man, Yisra'el Roykh (formerly a senior Bank Le'umi official, with whom the bank signed a severance agreement that is now the subject of litigation), who received 600 percent compensation, while Japhet wants only 400 percent. What makes that an interesting argument is, who is making it? The 'orphan' who has come to whine that they are cheating him! They are giving Mr. Roykh 600 percent but only 400 percent to Japhet. Yet it was none other than Japhet who approved the agreement with Roykh, it was Japhet who conducted the negotiations and his signature on the paper! Roykh received 600 percent because of Japhet. What cry of despair is this? That 600 percent altogether amounts to \$310,000, a large sum to be sure, but speaking proportionally, we are a long way, a very long way, from the drama of Japhet's compensation. I will

show Your Honor that in all the documents Arnon has presented, not a single American bank officer receives compensation like this."

Judge Ben-Ya'ir: "Mr. Sel'a, did you say just now that no American bank officer is receiving pension payments comparable to those of Mr. Japhet?"

Sel'a: "Yes. Twenty eight thousand dollars a month times 12 months comes to \$340,000 a year. Severance benefits on the eve of this retirement are entirely an Israeli invention. Japhet received 400 percent compensation for his release (which represents \$4.4 million). If we take that together with the rest (pension plus compensation), we arrive at a pension of \$700,000 per month. There is nothing like that in the United States. Accounting for differences in scale, severance benefits from an American bank should be 3.5 times greater than those of an Israeli bank. Arnon has demonstrated that the Recanati family, in before-tax income, is receiving princely sums at the rate of 7.5 percent of the net profit of their bank. Your Honor, unfortunately I am in no position to calculate the investment the Recanatis made in Bank Discount. Might it be \$200 million or \$400 million? Would it then be impermissible for them to receive something for their capital? I must believe that if Mr. Japhet had invested \$200 million in Bank Le'umi, he would have sought a million dollars a year for his management services. The issue, in fact, was altogether different. It must be remembered that Bank Discount and the International Bank are wholly private.

"Arnon says that Mr. Japhet bequeathed a magnificent roster of branches. So what if Bank Le'umi, thanks to Japhet, opened a branch in the Cayman Islands? I want to believe that Mr. Arnon, as a banker, knows that the significance of a list of 18 branches as opposed to 32 is meaningless. Still, if there is a painful 'dowry' that Japhet bestowed on Bank Le'umi, it is the list of branches in New York...and Mr. Arnon says that Japhet was the biggest of them all."

Arnon: "I did not say that. That is what they said at the bank."

Sel'a: "Arnon is telling us about his world stature. I do not want to drag Japhet's character into this discussion, and I will not. I have said that once, even twice, and I say it again. All I do want, and I have already told Your Honor this, is that the subject of whiskey, cocktails and cigars be addressed in some way. Who paid for that? And I have already told Your Honor that had we engaged in an investigation, and I am ready for that inquiry, into the matter of Mr. Japhet's expense account, perhaps Mr. Arnon would have been persuaded to withdraw his pleadings for respondent in their entirety. And one final matter: If there is one person responsible for the bank shares collapse of 1983, more than any other banker, that was Mr. Japhet."

These are selected extracts from the Japhet pension case. On the assumption that Japhet won a victory that cannot be described as insignificant in that case, and against the

background of the case currently before Judge Miriam Na'or regarding regulation of bank shares, it may be that the last word has not been spoken. Ernest Japhet, in his vast wisdom, sits in New York, observing without reaction. Time, it appears, is working in his favor.

Aircraft Industry Labor Leaders' Voice Concerns *91AE0550C Tel Aviv HA'ARETZ in Hebrew 10 Jul 91* *p 11*

[Article by Mati Ram]

[Text] Each morning, thousands of workers from every corner of the Dan region gather to stream through the gates of the aircraft industry factories on the outskirts of Lod. This collection of workers, which combines sophistication, determination, social support, and the ability to meet any new technological demand, constitutes an endless source of pride for the city.

Many members of the city council past and present, including Lod's current mayor, Maxim Levi, have worked at some time in their lives in the aircraft industry. The secretary of the national union of the aircraft industry, Ya'akov Shefi, says that is one reason why a factory in Lod feels at home.

A high percentage of aircraft industry workers live in Lod. Since the first factory went up in the geographic area of the city, it quickly became clear to those who built it that the heart of the installation was the workers, undoubtedly its most important element of production. A decision was reached, accordingly, to take care of them. So was born the nation's largest workers' council.

The council, and later the union, gradually assumed the character of a powerful, independent institution responsible for the welfare of the workers. Today, the union includes 75 members, chosen in direct and secret general elections once every four years, who manage the affairs of the 16,500 aircraft industry workers throughout the country (following reductions caused by cancellation of the Lavi project).

Despite its respected status in the country, the union's members carry on, every hour of every day, a bitter struggle to protect their factory jobs and, at the same time, to assure that their salaries and work conditions do not slip in these hard economic times.

"The object is to represent the workers in every possible way. In practice, however, we act on the basis of a list of priorities," says Shefi. "At the top of the list stands the importance of the job—we fight management's desire to fire workers. Salaries and work conditions come second—a man scratching out a living wants to know what he will find in his paycheck at the end of the month. After that, we devote our attention to all other issues, welfare activities and so on. Since we hold direct elections, each of us must do the best he can to achieve these three goals. A man who does not prove himself would not be reelected."

[Ram] They say that you look after the worker from the cradle to retirement.

[Shefi] True. We look after all the workers. We remember each and every one. Whenever a baby is born to one of the employees, he always receives a gift from us. And if, God forbid, tragedy strikes, we take care of him. We offer activities for children of employees throughout the year, and arrange bar-mitzva ceremonies, outings and shows. We even make assistance available for their children in school from sixth grade on. Without a doubt, we provide them a lot.

The organization looks after the workers as well as their children. Various welfare activities have spread the name of the union across the country as an organization that knows how to serve its workers. The range of activities is extensive; one need only see them to be impressed.

Likewise, the organization sponsors sporting activities, cultural events, plays, worker conferences, and study days year round. Each month, the organization reviews new ideas for expanding the scope of its workers' interests within the framework of its welfare services.

Last year, the workers' union introduced computer clubs, fishing get-togethers and the like to the aircraft industry.

The grounding of the Lavi project some years ago plunged the aircraft industry in general, and the workers in particular, into one of the gravest crises in the history of the business. Shefi looks back: "That was a heavy, crippling blow for us. In retrospect, I believe that the whole factory would have collapsed within months if we as workers had not been so strong. The fact that the factory withstood the crisis must be chalked up to the workers. In fact, this is the first time since the end of the project that we have finished the year without a deficit and even earned a small profit. To me, that says a lot."

The pride of the aircraft industry's workers is unique and well established. We are struggling even today to overcome the Lavi crisis and the grim situation into which world markets for weapons and sophisticated electronic systems have sunk. But day to day hardships do not permit much room for nostalgia.

"From outside, the factory might seem quiet. The truth is that we are mired in internal struggles with management. We are aware of how tough conditions are and know that there are no easy solutions to these problems, but we are not prepared to compromise. We have invested our blood, sweat and tears all the years we have worked here. After so many years, it is impossible to discard people just like that; someone has to take responsibility. Our relations with management are complicated. Despite the feeling that everything is fine and quiet, there are problems of one type or another that force us at times to take steps as an organization, such as work actions," Shefi explains.

Relations between the aircraft industry's workers and the factory's management have so evolved that, as a matter of principle, the factory operates almost entirely without a new work force. Of the few who are taken on, preference is given to professionals among the new immigrants. Engineers and designers recently arrived from the Soviet Union can be found these days working in the factory.

That, however, is not enough. At every opportunity, the workers hold collection drives for household items, clothing and gifts to help immigrant families. The workers also take part in welfare activities organized by the township for the benefit of the elderly.

Indeed, the union functions as a parent to the aircraft industry's large family of employees. Shefi stresses that "We enjoy a strong system of mutual support. The workers help one another. When one of them runs into trouble, he knows that someone will help him. That gives employees a greater sense of confidence in their work."

Both the factory and similar companies around the world admire the aircraft industry workers for other reasons. First among them is their universal ability to adapt themselves so impressively to any new technological project. These workers are highly experienced and know the right approach to every subject. Above all, they bring a strict sense of discipline to their work.

"Sometimes, we receive new work orders that to others might seem very complex and confusing. After we examine them from every possible angle, they become simple, easy jobs for us," Shefi says with pride.

In the wake of the objective economic difficulties besetting Israel and the aircraft industry alike, the factory is concentrating on production assignments for export. The factory must compete each year, and does so successfully, against international companies that are big, important concerns in their respective fields. When all is said and done, that is the reason that the workers of the aircraft industry, year in and year out, are the country's premier exporters.

"That," says Shefi, "is why we are so proud."

Penetrating Japanese Markets Termed Difficult

91AE0523A Tel Aviv HA'ARETZ in Hebrew 26 Jun 91
pp 11, 14

[Article by Shlomit Gal]

[Text] Every year more than 1,000 requests are submitted in Israel for governmental aid to fund innovative development. The owners of these projects, together with those of several hundred other research and development projects not seeking governmental aid, seek funding to continue research and development. Ya'akov Pas, a former economic adviser in the Israeli Embassy in Japan, who has lived and worked for the past five years in this country, believes that the solution to all of these

funding problems is likely to be found in the Far East, in Japan. The Japanese market, he maintains, offers a broad range of activity to merge with Israeli potential. Pas: "It is impossible for Japan to make a business match and/or sell by remote control. The only proven way for foreign companies to achieve commercial success in Japan is to maintain a permanent presence in the Japanese market. When a business connection is created, it must be cultivated with frequent, mutual visits.

"Japan has 26 industrial parks spread throughout the different districts. The activity in each park results in annual turnover of \$500 million to \$1.5 billion. Some of these parks are built and financed by private companies, such as the science park in Kyoto, which was established by the Osaka Gas Company, whose annual turnover is about \$700 million.

"New technologies are sought on an ongoing basis in these industrial parks, including through entry into advanced research subjects outside of Japan. The ready potential here for Israeli technology is great, but Israel has yet to tap it due to three main factors: Israel's focus on nearby markets in Europe and the United States; the fact that we have not made an effort to identify a suitable technology to offer to the Japanese; and the economic difficulties entailed by penetrating the Japanese market.

"The efficient, correct way to operate in Japan in order to merge projects [with funding] is to establish a permanent presence in the Japanese market (this also makes it easier for the Japanese to establish a direct, continuous connection). In addition, the following measures are likely to confer advantages on a foreigner wishing to do business in Japan: personal familiarity with the Japanese, which leads to effective, successful matching; avoidance of mistakes through familiarity with, and a precise study of, the Japanese business mentality; the adjustment of technical and business proposals to Japanese requirements through a rapid response based on a familiarity with the market and an understanding of the required changes; and guidance provided by professionals in Israel in preparing business plans based on an understanding of the needs of the Japanese client (as stated, only a permanent presence in the market can result in such a deep understanding). Other desirable measures: given the high cost of establishing a sales office for a single company in Japan, it is preferable to establish a company in Japan (a sales office) jointly with a number of Israeli companies that have the potential to penetrate the Japanese market.

"Another way is to find a 'matchmaker' in the form of a leading Japanese company willing, on an ongoing basis, to seek matches for Israeli inventions through surveys among the different science parks and Japanese producers seeking different innovative technologies."

Not a few economists vigorously back these methods, which depict penetration of the Japanese market as a possible mission that can be carried out if only we find the appropriate methods for accomplishing it. These

economists are staunch proponents of exploiting governmental and public purchases as a lever to increase employment in the economy. Among the main supporters of this approach is Hayim Golan, the director-general of the Authority for Industrial Cooperation. Golan: "Against the background of the blessed immigration waves and the unemployment level, which is assuming dimensions which we have not known since the fifties, our immediate priority is to create jobs in industry. The fact that financial resources are needed to expand and develop industry is not new, and it is known that such resources are not always available. Even if all or part of the necessary financing is obtained, it must be remembered that an investment does not produce results immediately, but only in the long term.

"Accordingly, in the absence of investments, the Authority for Industrial Cooperation intends to create jobs in industry immediately by adopting a method that is current in enlightened countries in Europe and in the United States. According to this method, the implementation of a public project which is ostensibly open to the participation of foreign producers (and, officially, domestic producers as well) is actually conditioned on maximum, domestic production.

"Thus, in most cases, no experienced Israeli producer would conceive of approaching such a tender, even in the United States, without submitting its proposal under the umbrella of an American company. Regarding governmental and public projects in the European countries as well, in isolated cases in which an Israeli industry has any chance of winning a project, it is customarily required, in most cases, that the Israeli contractor implement the project in the ordering country, or that at least a significant portion of the order be produced on the orderer's territory. On the other hand, when we order different goods and services from foreign producers, we are satisfied with requesting reciprocal purchases. This sometimes requires strong pressure on the ordering company, without which even this modest condition would not be met.

"In order to quickly create jobs for new immigrants and discharged soldiers entering the pool of job seekers, we must change our priorities in tendering off public projects. We must establish, as a supreme condition for participation in our tenders, the requirement to carry out the work of at least part of the project in Israel.

"Sometimes, from a national standpoint, it is even advantageous to pay a higher price to a foreign company willing to cooperate with Israeli industry and to implement a large portion of a given project in Israel as a means to create jobs in industry. The advantage here is that industry develops and jobs are created (no one doubts that this method is preferable to initiated works).

"We must adopt the method that is current in the European countries and most of the other industrialized countries, according to which projects valued at more than a certain sum must be fully or mostly implemented

in the ordering country. The Authority for Industrial Cooperation has found examples of this method in the United States, Europe, and the Far East. We should also decide to condition the contracting of transportation, telecommunications, energy, and water projects [to EEC vendors] on purchases in Israel by the EEC member countries, to the amount of at least 50 percent of the contracted project."

Another area which Golan recommends exploiting as an enormous lever to create many jobs in industry is the procurement of Israeli products by large international countries that sell to the Israeli economy on a large financial scale every year. Golan: "We seek to create reciprocal trade relations with these countries. In other words, in exchange for their sales in Israel, these same companies would purchase competitive products from Israeli industry. This method has proven itself well in the computers branch, where the purchases of foreign computer companies in Israel totalled about \$160 million in 1990 and provided employment for more than 6,000 workers in the Israeli industrial sector.

"By contrast, if automobile companies that sell to the Israeli economy were to purchase different Israeli goods to the amount of only 35 percent of their sales in Israel, they would create about 14,000 additional jobs for workers in Israeli industry and simultaneously close the gap in our national balance of payments by about \$350 million per year.

"In addition to automobile companies, there are other import branches in which the value of imports is in the billions of dollars, and we are currently not obtaining reciprocal purchases for these imports. I am referring to the importation of chemicals (about \$1.5 billion per year); energy materials, oil, and coal (more than \$1 billion per year); food, seeds, and meat (about \$0.5 billion per year); houses and trailer homes imported by the Housing Ministry; and sales by multinational companies to Israel's private sector in the fields of electronics, electricity, and metals. If these companies were to purchase from Israeli industry the equivalent of 15 to 20 percent of their sales in Israel, it would be possible to create about 30,000 new jobs at least."

To fully benefit from knowledge and technology transfers based on industrial cooperation and the establishment of research and development centers, Golan also thinks that we must create a dependency between the volume of purchases by foreign automobile companies from Israeli industry and the volume of sales by these companies to the Israeli economy, i.e., condition any increase in their volume of sales to Israel on the volume of their purchases from Israeli industry. Golan: "We are certain that, under these terms, which are customary in many countries of the world, the automobile companies would find something to purchase in Israel under fair terms of competition.

"Some elements in different ministries and public bodies view the willingness of the Japanese automobile companies to sell their products to the state of Israel as a breakthrough and an act that runs counter to the Arab boycott, although everyone knows that the Arab boycott does not prohibit sales to Israel at all. Companies that are unwilling to sell to Israel refrain from doing so for various economic considerations unrelated to the Arab boycott. Currently, cars from 15 different companies are traveling on Israel's roads. Another firm would not give us any real advantage unless it committed itself to cooperating with Israeli industry."

Golan believes that it is necessary to condition the granting of import licenses to the Toyota Company on that company's agreement to make reciprocal purchases from Israeli industry. Correspondingly, he recommends that Israel increase its imports of cars produced by companies that have already made purchases from Israeli industry. In particular, (in his opinion) companies that do not cooperate with Israeli industry should not be allowed by governmental bodies to participate in tenders. He also calls on the public and big companies with large vehicle fleets to help pressure the different automobile companies to purchase different goods from Israeli industry. Japanese car companies have yet to purchase anything from Israeli industry (except the Subaru Company whose purchases are very small relative to the volume of its sales in Israel).

Several weeks ago, Golan went on a working tour of Japan, with the declared goal of achieving industrial and economic cooperation with different Japanese companies that sell their products in Israel, including of course the car companies. The Japanese, it turns out, did their homework and were well aware of the opinions and intentions of the expected guest. The Mitsubishi Company demonstrated clearly to Golan where, in its opinion, he crosses the line of his possibilities. It simply refused to host him at its plant. The polite managers of the large Japanese concern agreed to meet the Israeli representative in his hotel, or at the offices of the Israeli Embassy. However, they did not permit him to step foot on their own territory. Japan experts state that this measure means that Mitsubishi is resolved in its decision not to establish any reciprocal relation with Israeli industry. It is willing to sell to us, but no more. After a sale is concluded, they do not even recognize us.

To be honest, Mitsubishi was alone in making such an explicit response. Other Japanese companies (whose balances perhaps do not seem as good as Mitsubishi's last balance) received Golan willingly, hosted him at their production and marketing facilities, and, in some cases, even introduced him to senior managers. Among these companies are the Fuji Company, the Toyota Company, Daihatsu, Suzuki, Sony, Hitachi, and others.

While Golan was in Japan, the Japanese foreign minister, Taro Nakayama, was landing at Ben-Gurion Airport in Israel. The Japanese minister visited Israel as part of a Middle East tour after visits to Dubai, Egypt,

and Iran. This was the first visit of a Japanese foreign minister to Israel and Nakayama's first visit to Israel. After all of the ceremonies, handshaking, and photographs, the guest and his hosts began to talk business. Nakayama said that Japan had contributed \$13 billion to finance the Gulf war and to compensate the countries that were damaged by it. Miraculously, not one cent of this large sum reached Israel. Nakayama: Fine, you are not a developing country according to the Japanese Government's criteria, and the aid is intended for developing countries. Here, the discussion shifted to matters of the Arab boycott. Nakayama claimed that his government opposes the boycott, but "it would be inappropriate for Tokyo to dictate to private companies how to act," which is a somewhat odd argument, given that Japan is a country in which the government guides the economy with a sure hand. The perception in Israel is that the Japanese are particularly observant of the boycott, and that they go even further than the directives of the boycott office in Damascus. This is what is called: If you are already eating pig [i.e., transgressing], it is not so terrible if its fat is dripping onto your beard.

At this stage, the newspapers in Israel have begun to call the Japanese foreign minister "the Japanese official," whereas diplomats have begun to speak of the "first signs of an improvement in economic relations between the two countries." These statements remind some of the heralding of the signs of oil which we have been finding in Israel for the past several decades. Dr. Ya'akov Kohen, the deputy director-general of the Industry and Commerce Ministry, stated that the importance of the Toyota Company's announcement of its willingness to sell its products in Israel is "symbolic." Nonetheless, amid the wave of "exciting" announcements of the sudden willingness of Japanese companies to respond to our entreaties to sell us their extolled products, a weak twittering has broken forth, a first sound of a different style. This was the announcement of a relatively small Japanese company, Namik Lambda, which has decided to invest \$4 million in the construction of a factory for the production of power supplies equipped with switches in Karmi'el.

After Nakayama heard and "noted" the different requests for aid that were submitted to him here, including even one request submitted by a delegation of Palestinians from the territories, he boarded a plane bound for West Germany, where he would obviously be able to conduct a much more productive business conversation.

Nonetheless, a surprise: Despite the somewhat resistant attitude of the Japanese toward the Israeli economy, Max Livnat, the economic envoy at the Israeli Embassy in Tokyo, states that Israel is one of a few countries in the world that has a positive trade balance with Japan. In other words, we sell more to them than they sell to us! Do not get excited: All of this is true, only because of the refusal of many Japanese companies to market their goods in Israel. Nonetheless, 500 Israeli companies currently export to Japan and 70 percent of all Israeli

exports to Japan are effected by 12 large companies, such as Scitex, the Brom Group, and others.

In 1990, Israeli exports to Japan totaled \$874 million, while Japanese products sold in Israel in the same period totaled only \$546 million. This wonderful picture dims somewhat when it emerges that 70 percent of Israeli sales to Japan involved diamonds, which have a low added value, which leaves only \$260 million per year as the value of Israel's exports to Japan. The year 1990 was supposed to be a breakthrough year regarding the exportation of tourism services from Israel to Japan. However, despite the expectations and the forecasts, only 8,500 Japanese tourists came to Israel in 1990, as was the case in previous years.

It is said that this was because of the Gulf war. However, a dancer who falls tends to blame the warp in the stage boards. Perhaps this is correct, perhaps it is not; go figure. However, the fact remains. And the final blow: If one writes off diamonds, the equation is reversed, the trade balance is negative from our standpoint, and we again return to the "underdog" position to which we have become accustomed.

It could be—only could be—that we, not the Japanese, are to blame for this. In other words, we simply are acquainted with them, but we know neither their customs, nor know how to do business with them. If this is so, that is good, because we have a solution to the problem. Several weeks ago, an article was printed in HA'ARETZ by David Heller, an Israeli lawyer working in Japan. Heller describes several customs of Japanese businessmen. For the information of exporters: After long and drawn out negotiations, the Japanese customarily present a very short draft contract to be signed. Then, after the contract is signed, they suddenly ask to rediscuss matters that, as it were, are already agreed.

When Japanese close a deal among themselves, they do so without a written contract for the most part, as is the case in diamond deals. They shake hands, bow slightly, and the deal is closed. Up until not long ago, the Sony Company even used to close deals worth millions of dollars through telephone conversations between managers, without any written contract. When deals are closed in face-to-face negotiations, the closure of the deal is marked by a ceremony of handclapping at a rising and falling rhythm and drinking together. Even a written Japanese contract is likely to appear to a Western jurist "full of holes and ambiguities." The key gel in such a contract is "good will and mutual trust," through which the two parties are supposed to find solutions to all future differences of opinion between them. When party "A" (for example) asks party "B" to increase its remuneration above the sum determined in the contract concluded between them due to increases in the prices of different inputs related to the products which it sells, party "B" is likely to respond negatively and ask party "A" to "shed tears," i.e., to absorb the price increases. Party "A," if it accedes to the request, will respond "I am crying."

In the meantime, as stated, in the meeting between the Israeli written contract with the Japanese economy, we "are crying," but, as is known, life continues, and he who laughs last laughs best.

Major Communications Project Under Way

TA2307150991 Tel Aviv HA'ARETZ in Hebrew
23 Jul 91 p C2

[Report by Judy Maltz]

[Excerpt] The Israel Exports Institute is about to start a major communications development project in Kazakhstan. Ten Israeli communications firms will participate in the project, together with the U.S. company AT&T, and the Australian International Telephone Company. This will be the first republic-level project in the USSR executed by Israelis.

Final approval for the project was given two weeks ago to David Litvak, the director general of the Israel Exports Institute, by the Republic of Kazakhstan's prime minister. The plan includes separate cable, satellite, telephone exchange, and training projects. [passage omitted]

According to a recent agreement, the first cables-for-copper deal between Israel and Kazakhstan will be executed on 1 October 1991.

Another project involves the establishment of a direct satellite link between Israel and Kazakhstan. A Bezeq telephone company representative has already reached an agreement with the Communications Ministry of Kazakhstan and the Australian International Telephone Company on hooking up such a link in six months via an antenna network the Australians have already started to put up. Another meeting will be held in Israel in September with the deputy communications minister from Kazakhstan, a representative of the Australian company, and AT&T for the planning of a future satellite communication network for Kazakhstan.

Biotechnology Laboratory Firm Profiled

91AE0523C Tel Aviv HA'ARETZ (Economic Supplement) in Hebrew 26 Jun 91 p 15

[Text] InterPharm Laboratories Limited is a science-based company active in researching, developing, and producing biological pharmaceutical products. Specifically, InterPharm's growing expertise in the development and medical application of cytokines—a family of molecules produced by cells—was translated in 1990 into business success and ongoing scientific progress. InterPharm is a world leader in the development and medical application of cytokines.

Located in Nes-Tziyona, InterPharm Laboratories Limited almost doubled its sales in 1990 to \$25.2 million and reported respectable net earnings of about \$3.5 million. This growth stemmed mainly from the success of FRONE r [registered trademark], which is interferon produced by human fibroblast cells. FRONE strengthens

the resistance of cells to viral infections and is used to treat viral and oncological diseases. In Italy, where FRONE is marketed by InterPharm's parent company, the Ares-Serono Group, the product is approved for the treatment of certain types of leukemia, and it was recently approved to treat breast and uterine cancers.

FRONE is only one of several cytokines being developed at InterPharm, which is located next to the world renowned Weizmann Institute of Science. The company's location is no coincidence. InterPharm works closely with the Weizmann Institute and currently funds three research teams there.

In 1990, InterPharm invested \$4.8 million in research and development, which is almost 50 percent more than the \$3.3 million it invested in 1989. InterPharm receives assistance from the Industry and Commerce Ministry and its Chief Scientist. It also receives governmental financing totaling almost 30 percent of its research and development costs in exchange for future royalties.

InterPharm expects considerable progress in 1991 with the development of recombinant interferon-beta, which is produced through genetic engineering and is almost completely identical to human interferon-beta.

The company is building a new recombinant interferon-beta production facility that utilizes biotechnological methods, incorporating its own innovative process which boosts production capacity substantially and reduces costs. The new facility is expected to begin operating in the mid-nineties.

Simultaneously, work is continuing on other cytokines, such as interleukin-6, a substance which activates cells involved in the human immune response. InterPharm's scientists are also making progress regarding TNP-BP, which neutralizes certain toxins.

InterPharm currently employs about 230 workers, half of whom hold academic degrees, including about 50 who have Ph.Ds.

InterPharm is required to comply with the strictest international production standards. At the same time, it is striving to encourage creative scientific approaches. As part of the Ares-Serono Group, InterPharm enjoys the advantages of extensive regulatory expertise and a worldwide marketing network. The Ares-Serono Group, with the backing of subsidiary companies in more than 20 countries, offers InterPharm unique access to the international pharmaceutical market.

[box, p 15]

Dr. Yoram Karmon, General Manager of InterPharm Laboratories Limited

At the end of 1990, InterPharm Laboratories Limited reported sales of \$25.2 million with net earnings of about \$3.5 million. InterPharm's achievements this year can be measured by the substantial growth of its net earnings,

its high output rate, and its full commitment to a cost maintenance program to limit management and general expenses.

In early 1990, InterPharm's management set several goals for itself to strengthen the company's ability create a solid basis for itself in the future. For example, our ability to respond quickly to the demands of a growing market, without sacrificing quality; this has often required extraordinary efforts on the part of the company's workers and management. These efforts have enhanced the company's reputation for reliability and adherence to the especially high standards of the pharmaceutical industry. The advancement of products under development, which also entailed the provisions of the scientific support needed to sustain registration efforts, has made great demands on our research and development team. However, it sufficed to convince the health authorities of the quality of the company's scientific work.

A reduction in employee turnover has allowed us to enjoy the skills of experts, while increasing employee identification with the company. Thus, even during times of pressure, such as the Gulf war, all of our employees recorded high attendance levels, even those who are mothers. Women constitute about 50 percent of our work force.

While we have been successful in reaching all of these goals, we have not done so to an extent that permits us to rest on our laurels. As a rule, the management of a company such as InterPharm—which integrates research and development in the biological sciences with the production of pharmaceutical products based on biotechnology for an international company—faces the challenge of reconciling conflicting interests. Internally, strict adherence to unbending standards of production is needed to ensure product uniformity. At the same time, the company must provide for flexible cognitive approaches at the scientific level to allow for an objective examination of theory and the creative diagnosis of particularly promising phenomena. Outwardly, there is a need to bridge the intellectual and cultural gap in order to facilitate adequate communication and trust between companies that have been traveling on the same path for years.

In this connection, we have also made gains thanks to the unqualified support which Ares-Serono gave to InterPharm during the Gulf war. This testifies without doubt to a commitment to stand by us in the difficult times that will arise as a result of the challenges of the pharmaceutical market, which is especially competitive.

In summary, 1990 was a year of achievements, a landmark on a long difficult road likely to lead us to success if we focus doggedly on achieving the goals that we have established for ourselves.

Developments in Tourism Industry Examined

91AE0523B Tel Aviv HA'ARETZ (Economic Supplement) in Hebrew 26 Jun 91 pp 36-37

[Text] One of the traditional exporting branches of the state of Israel is the tourism branch. It sells scenery, holiness, Zionism, and a pleasant climate. According to an official of the Tourism Ministry, Amnon Manda, tourism is even the main export branch of Israel. How did it attain this status? The calculation is simple: Because the branch's added value is especially high, greater investment in bringing tourists to Israel is likely to solve the state's problems related to economic growth.

"I am not aware of another such branch in Israel," Manda states. "Earnings from tourism are considerable compared to those from agriculture or industry, including all of the high-tech industries. How did this come about? Aside from several investments which the branch has to make in infrastructure and wages, money is made from money here, from the climate and the scenery. A true something-from-nothing business. No raw materials have to be imported at all."

To calculate the real value of tourism as an export branch, revenues have to be calculated against expenditures. Regarding revenues, it is important to know how many tourists visit us, where they come from, their ages, etc.,—in short, everything that a good branch marketer should know.

Regarding investments in the branch, the economic freeze of the past two years in Israel must be taken into account. It is also necessary to examine where and in what manner most of the allocations of the Tourism Ministry have been invested. For example, why have the majority of investments been channeled to the Eilat and Dead Sea area in the past two years? Are the reasons economic, political, or personal?

Let us slow down. Tourism brings in an average \$1.5 billion per year based on a calculation of about 1.5 million tourists per year. Since 1981, one can see a gradual increase in revenues from tourism: \$1.79 billion in 1981, a slight drop in 1982 because of the Lebanon war, and an increase to \$1.201 billion in 1983. In 1986, there was another drop, to \$1.243 billion, followed by a dramatic 34-percent increase in 1987 to \$1.67 billion. A peak of \$1.788 billion was reached in 1989 and there was a 9-percent drop to \$1.620 billion in 1990, which was to be expected as a result of the Gulf war.

A tourist visiting Israel spends, in one way or another, a relatively large sum of money. Thus, Israel ranks fifth in the world in the amount of revenue brought in by each tourist. This is explained by the fact that a tourist who comes to Israel usually remains in the country rather than combining his trip to Israel with visits to other countries, as tourists do in Europe for example. According to data provided by the foreign currency supervisor in the Bank of Israel, every tourist who

entered Israel in 1990 deposited about \$1,160 on the average in a domestic bank, compared to \$1,040 in 1989.

When one compares the tourism branch to other export branches, it emerges that, in 1989 for example, the branch accounted for 31 percent of all service exports and 11 percent of all exports from Israel. In that year, tourism brought in \$1.789 billion, of which 87 percent, or \$1.148 billion, is added value, which makes tourism the top-ranking branch in Israel in terms of added value.

However, the volume of revenues is not the sole criterion for measuring the tourism branch's value as an export branch. It is no less important to examine the absolute number of tourists who come to Israel. In 1990, 1,340,000 tourists entered Israel, compared to 1,424,000 in 1989, a 10-percent drop. About 70 percent of the tourists coming to Israel arrive by air. The rest arrive overland, or via sea, regional cruises, or Taba. Manda: "Current figures mention more than 1 million tourists annually. One forgets that only about 650,000 tourists were coming to Israel annually when former Tourism Minister Avraham Sharir took over the ministry during the Peace for Galilee War."

However, the branch does not always flourish. More than any other branch, it is sensitive to regional security or political developments. Wars and riots are a sure recipe for keeping tourists away from Israel. For example, the Tourism Ministry recently announced that, since 1991 began, the number of tourists who have come to Israel is less than 60 percent of the number of tourists that arrived in the corresponding period last year. However, in recent months, the branch has seen somewhat of a recovery.

According to data of the foreign currency supervisor in the Bank of Israel, revenues from tourists who came in January-April 1991, totaled about \$290 million, compared to \$448 million in the corresponding period in 1989. Manda: "Events always have a delayed effect on the tourism branch. Thus, if people were to cancel plans to visit Israel today because of a war, those cancellations would have an impact in four of five months. Therefore, we are still "eating" the spoiled fruits of the Gulf war, even though it ended several months ago, whereas 1990 finished well, more or less."

Despite the general economic freeze of the past year due to the slowdown in the economy during 1990, the Tourism Ministry invested about 830 million new shekels as aid in about 50 tourism enterprises that have the status of an "approved enterprise."

By contrast, three years ago, the Tourism Ministry invested only 130 million shekels in only 52 approved tourism projects, including six new projects. These projects include 12 tourist attractions at sites which already offer natural advantages, such as a submariners' boat in Eilat, and so on. Regarding investments in the hotel branch, an additional investment is included for the construction of about 400,000 additional hotels rooms in Israel, compared to only 570 in the previous

year. The ministry also allocated 66 million shekels to improve 14 hotels throughout Israel.

The Tourism Ministry's preferred target last year was the city of Eilat, and, this year, the ministry channeled about 45 percent of its total investments to Eilat to finance the addition of 1,552 hotel rooms and local attractions, such as a glass boat, a golf course, and a submarine at the coral coast (the yellow submarine).

The Dead Sea area is the Tourism Ministry's second budgetary priority. However, officials of the Tourism Ministry's investments department believe that the economic potential of the Dead Sea area has yet to be exhausted. In 1990, about 38 percent of the ministry's budget for investments was channeled to the Dead Sea area. These investments resulted in the addition of 1,970 hotel rooms, a substantial increase by Dead Sea standards.

Other areas in Israel, including the Galilee area, the Sea of Galilee, the Negev, and certainly the central area of the country, received mainly crumbs this year, such as aid to finance the construction of local attractions in 'Akko, at the Sea of Galilee, and in the Upper Galilee area.

Other tourism enterprises received assistance from the Tourism Ministry in recent months for: the development of a water skiing and sailing site on the Sea of Galilee (and the deepening of the lake); the establishment of a dolphinarium in Eilat, a refreshment stand at Kibbutz Yad Mordekhai, an entertainment center on the Dead Sea; and the construction of a convention hall at the Dan Panorama Hotel in Tel Aviv.

The Tourism Ministry's investments are effected through two organizations. One is HAPAT [expansion not given], which is the ministry's banking body; it provides grants and loans to tourism enterprises in which the ministry is interested. The second body, HAMAT [expansion not given], is the ministry's infrastructure company. It owns seven subsidiary companies: the Old Yafa Development Company, the Dead Sea Development Company, the Eilat Development Company, the 'Akko Development Company, the East Jerusalem Development Company, the Negev Administration, and the Tel Aviv Sites Company, which is owned jointly by the Tourism Ministry and the municipality. The Hertzliya Marina Development Company, by contrast, is entirely owned by the Hertzliya municipality.

Investors in tourism, including public bodies, such as municipalities, private companies, and foreign elements, diversify the financing sources of domestic tourism projects and add to their economic image. For example, last year, the Israeli tourism investment market was entered by such companies as: Shamrock (United States); Ets-Nihl (Germany), which is represented in Israel by German businessman A. Tieg; the Madison Center Company (South Africa), International Hilton, Astrom (United States); Kinder (England); Paltotal (France), and Designers Voq [Vogue?] (Canada).

The key word regarding governmental investments in the hotel branch is "approved enterprise." "Approved" has a double meaning: "approved," in the sense that the private investor is entitled to governmental aid through the Tourism Ministry, under the Law for the Encouragement of Investment Capital in Israel, which causes the investor to be truly "happy" [in Hebrew, "approved" and "happy" are homonyms]. According to Hana Ifergan, the director of the financing and investments department in the Tourism Ministry, governmental aid does not transform the government into a part owner of the project. Rather, the government only shares the risk with the project, due to common interests of the government and the investor.

Many private investors apply to the department for approval. A special screening committee at the ministry performs an initial screening according to the ministry's priorities. "For example, if an entrepreneur intends to establish a hotel in an area saturated with hotels, he is not likely to win approval," Ifergan explains.

The volume of aid granted is determined according to the area targeted by the investment. The different areas are ranked on a scale by the government and are divided differently from the division in effect regarding governmental investments in industry. For example, the Tourism Ministry ranks Eilat and the Dead Sea area as A-class development areas. In these areas, investors in new projects or new hotels are likely to receive government aid to the amount of 29 percent of the value of the investment. The center of the country is, as expected, a C-class area and is not entitled to governmental assistance of any kind. However, by contrast, the area of Judea and Samaria is deemed a preferred tourism area for investments.

Ifergan: "That does not mean that money will begin pouring into tourism projects there tomorrow. Each project must demonstrate good prospects for profitability to receive aid. Among other things, an investor must furnish reports on expected occupancy rates. Given that it is difficult to expect that masses of tourists will stream to vacation in Judea and Samaria, there are no real investments there."

HA'ARETZ asked: Will vacation sites planned for Judea and Samaria go after the Israeli market and succeed?

Ifergan responded: That is not enough. An approved enterprise must be an exporting enterprise. This means that it must prove that a significant percentage of its guests will be tourists from abroad."

An additional restriction on investments by the Tourism Ministry is the requirement to prove profitability by demonstrating, in a reasoned and well calculated manner, that the investment can be recovered within ten

years at the most. This restriction in effect precludes the approval of especially large projects, such as a chain of marinas on Israel's coastal strip. Ifergan: "Usually, municipal economic companies devoted to mobilizing financing resources are involved in funding these projects."

All large investments in tourism depend on the number of tourists who come to Israel annually. An examination of the tourists who arrived in Israel in recent years indicates that, in 1990 for example, about 244,000 persons came from the United States, about 115,000 came from England and France, 97,000 came from Germany, and the rest from other Western European countries. In 1990, tourists also began to come from Eastern Europe, mainly the Soviet Union, from which 23,000 tourists came to Israel. Japanese rarely visit Israel: 6,000 of the 75,000 Asian tourists who came here in 1990 were from Japan. During this period, only about 3,000 tourists came from Egypt. Most of the tourists are in the 30-64 age range.

In 1990, the average occupancy in hotels in Israel was estimated at about 50 percent, which is 12 percent less than in 1989. About 5.7 million overnight stays were recorded in the year. Hotels in Eilat recorded the highest number of overnight stays, 70 percent, although the occupancy rate in Eilat also dropped, by 8 percent, compared to the previous year, and [there was] also a 26-percent drop in the occupancy of [foreign] tourists in the hotel[s] in Eilat].

In order to attract foreign tourists, the Tourism Ministry has been conducting a number of experiments, some more successful than others, such as the grading of hotels or the attempt to enforce a reasonable level of prices for services and beverages sold in hotels. The most recent experiment, introduced by Tourism Minister Gid'on Patt, aims to cancel the "stars" grading method, so that the hotels will withstand a situation of competition in a free-market.

Manda: "There is no choice. Prices must be lowered. Israel costs an American tourist more than a European country, because a flight to Israel is more expensive due to the distance. Given that Israel has mainly four-star and five-star hotels and lacks a sufficient number of two-star and three-star tourism hotels, it would seem obvious that our hotels are expensive. However, compared with similarly graded hotels in Europe, the prices in Israel are not high.

"But there is no choice. Prices must be lowered. It has been proven that as soon as prices are raised in Eilat, the tourists flee. If we reduce prices, we are likely to increase the number of tourists to 2 million per year. This is what will bring growth to the economy."

Tourism Statistics Released for July

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in English 9 Aug 91 p 3

[Report by Evelyn Gordon]

[Text] Tourism to Israel is almost back to pre-Gulf war levels, the Central Bureau of Statistics [CBS] confirmed yesterday.

The Ministry of Tourism had announced Sunday that based on preliminary figures, only 6 percent fewer tourists arrived in Israel this July than had come in July 1990. The final figures released by the CBS yesterday show a drop of 7 percent.

A slightly larger decline, of 9 percent, was registered in the total number of visitors—tourists plus visitors from cruise ships and military vessels.

For the first seven months of 1991, the level of tourism was 46 percent lower than in the same period last year.

Charter Flights to Southern Turkey Resumed

TA2607152991 Jerusalem *QOL YISRA'EL* in Hebrew
1100 GMT 26 Jul 91

[Text] Charter flights to Antalya and Marmaris in southern Turkey will be resumed tomorrow. Our correspondent Rina Mazliah reports that an agreement was worked out over security arrangements at the airports in southern Turkey.

IDF Position Papers on Golan Security Avoided

TA0781549 Tel Aviv HA'ARETZ in Hebrew
7 Aug 91 p 1

[Article by Re'uven Pedatzur]

[Text] The IDF [Israeli Defense Forces] is refraining from preparing professional position papers on the future of the Golan Heights. Although for weeks now there has been talk of a possible political process, wherein there would also be direct negotiations with Syria, it has been decided in the IDF not to initiate the preparation of professional papers which will consider the security aspects of possible arrangements on the Golan.

According to senior military officials, the IDF is intentionally refraining from working in that direction and will continue to avoid formulating an opinion until asked by the political echelon to prepare professional position papers on the different security alternatives. The IDF's refraining from getting involved in this issue, despite the purely professional-military aspects entailed, results from concern over the political echelon's reaction. The concern senior sources say, is that political leaders will see that kind of military activity as outside of its jurisdiction; in the best case, they will instruct the IDF to stop preparing position papers, and in the worst case, senior officers will be transferred from their posts.

"Strange as it may sound," the senior sources said, "no one in the IDF is working on a serious paper which will weigh the various components of a possible political arrangement with Syria. No one is looking into the defense significance of the territory, the military significance of demilitarizing it or the other possible defense arrangements. The army has not been asked to prepare a paper on the future of the Golan Heights, and therefore it is not doing so."

The senior sources are aware of the existing shortcomings in this process and recall the process prior to the signing of the Camp David accords. Then, too, the army was not asked to prepare professional position papers which looked at the elements of a possible peace arrangement with Egypt and the result was that the political echelon accepted decisions, which in many cases were not based on information and professional assessments from the defense sector. Those same sources again expressed concern that if the process moves forward, and Israel's representatives will have to present a position regarding security arrangements on the Golan Heights, they will not have professional military assessments in hand which will help them formulate policy. Nevertheless, although professional analyses have not yet been done by the IDF, sources in Israel said that from a purely military perspective, it is possible to achieve satisfactory security arrangements, even if they entail conceding territory in the Golan Heights. Without getting into the political aspect, they say, that from a military perspective, demilitarizing the Golan Heights, and agreeing to

additional arrangements as a starting point which will obtain a good level of security for Israel.

Maj Gen Ram on Seaborne Threat, Budget

91AE0594A Tel Aviv BAHAMANE in Hebrew 31 Jul 91
pp 4-7

[Article by Mordecai Alon and Yo'av Kaspi: "In the Future the Threat Will Come From the Direction of the Sea"]

[Text]

[BAMAHANE] Major General Ram, the IDF [Israel Defense Forces] is today confronted by the multiyear plan, which essentially represents deep cuts. Where will the navy, a small force in any case, receive its major cuts?

[Ram] The cuts will come on two levels. One is manpower and the other is the operational order of battle. With respect to manpower, it will represent a very hard blow, because we are a relatively small, professional service. But at the same time, we are now in the midst of a process during which we will improve the remaining order of battle and will build the future order of battle—the Sa'ar 5 boats in the United States and the "Dolphin" submarines in Germany. Perhaps that does not compensate for the reduction in the order of battle, but it will definitely improve our situation. At this stage, important projects will not be hurt. There is, indeed, a slowing of one kind or another in procurement, but that is all.

[BAMAHANE] Will you succeed in doing the job with fewer men?

[Ram] We will succeed, although I have no doubt that we would do it better if the men whose service we are going to terminate would remain. And it is necessary to emphasize at this point that, because of the cuts, 8 percent of the navy's personnel will have to leave the service. This means that all of the navy's activities—technical, operational, and control—will be affected. We will have fewer people to do the same work. There are things that we are not doing, even though they could widen the quality gap between us and the Arab navies. We are not far from the red line on the subject of building strength.

[BAMAHANE] Do you think that the navy still has an image problem regarding its capability and its status?

[Ram] The problem has been behind us already for many years. After the Yom Kippur War this subject disappeared from the agenda. It is necessary to understand that the naval theatre is important, but it is not the theatre of decision for the State of Israel. It was not in previous wars, and it is almost certain that it will be no different in the future. Nevertheless, the State of Israel is faced with different interests, and there is the need to defend ourselves from the direction of the sea. And this service does it successfully.

[BAMAHANE] The discussion on the subject of the submarines has continued already for many years. Is this not in a way a lack of recognition of the service's attempts?

[Ram] The discussion of the submarines project was, indeed, long and continuing, but through all the years of the discussions, no one raised doubts or hesitations regarding its great necessity. The struggle occurred precisely concerning the Sa'ar 5 boats. Here, doubts were raised concerning their necessity. But at the moment of truth, when it was discovered that money and resources were lacking, orders of priorities were determined and the submarine project was canceled. By the way, there was no final decision on the cancellation of the project, even though we were not far from that. What happened happened, and this project was resurrected and got under way. Finally, the navy will have two new submarines.

[BAMAHANE] Can it be said that the navy won them by luck due to the Gulf war?

[Ram] Not necessarily. In my opinion, the fact that the project resurfaced, following the Gulf war, as the central demand that the minister of defense presented to the German Government, is what proves that the subject is taken seriously. Personally, I believe that even without the war, we would have found a solution regarding the subject of the submarines. There may have been a delay in the project. There were those who thought that it would perhaps be possible to buy used submarines. The navy had no such plan. We had only one option, and that was to purchase the new submarines.

[BAMAHANE] Is the gap between the navy and the Arab navies narrowing?

[Ram] Certainly not the quality gap. This gap remains quite fixed, and, perhaps, has even narrowed from our viewpoint.

[BAMAHANE] What are, in essence, the main dangers from the direction of the sea?

[Ram] Most of Israel's strategic targets are along the coast. Were it not for the navy, the enemy navies would be able to carry out on Israel's shores landings, commando activities and even to close our ports. Israel has an additional interest, and that is the security of the sea lanes. More than 90 percent of the commodities imported to and exported from Israel go by sea. From this viewpoint, the State of Israel can be compared to an island: it has no outlet other than by sea, [and] perhaps very little by air. At a time of tension or of war, vital sea traffic is maintained, as, for example, when airplanes and ammunition were transported in ships during the Yom Kippur War.

[BAMAHANE] Is the air force not sufficient to watch over both the sea and the coasts?

[Ram] There has always been cooperation between the navy and the air force, and we train together and develop procedures and doctrines. An airplane over the sea, in

cooperation with vessels, can be very effective. I say, "in cooperation with vessels," because on this subject of the abilities of the air force over the sea there were many discussions and debates, at the end of which it was always determined that the navy had the responsibility for the sea. The air force cannot carry out all the missions of the navy. It can definitely assist. Whoever says that airplanes can destroy ships can also say that airplanes can destroy tanks. Therefore, we will not need a land army, and the air force can win a war by itself. All this is not practical. During the Yom Kippur War we did not receive, to our regret, support from the air force. Nevertheless, we will continue to train with the air force and to develop the capabilities. In the future we will seek to receive support from the air force in every possible place.

[BAMAHANE] Let us move on to the Lebanese theatre. Has the Syrian takeover of Lebanon created a new threat from the navy's viewpoint?

[Ram] Not at this stage. We do not see activity by the Syrian navy in Lebanon's waters. To the contrary: their previous involvement had been greater. In the past, they were located in the port of Tripoli and patrolled the waters of north Lebanon. Today, we do not see such activity. It seems that they have evacuated Lebanon. For the moment, at least, there is no change, and from our viewpoint, the situation is better than two or three years ago.

[BAMAHANE] Are there perceptible results from the deployment of the Lebanese army in southern Lebanon from the aspect of naval activity by the terrorists?

[Ram] That activity has not declined at this stage. From our viewpoint, there is no direct connection between the new system that is being built in Lebanon and our regular security activity. We are continuing to patrol, to guard and to demonstrate our presence to deter the terrorists.

[BAMAHANE] Does the increase in the strength of Syria and Libya oblige the navy to conduct a naval arms race?

[Ram] The increase in Syrian power in recent years was mainly in submarines, in coastal defense and slightly in the refurbishing of vessels. As we have made a thorough study concerning the battlefield of the future, I believe that we are trying to adapt ourselves to every possibility. Within this framework, we have introduced new weapons, such as, the RPV (remotely piloted vehicle) and the "Barak" antimissile system. These constitute part of the system of means for the battlefield of the future. It may be said that we are relatively making a good effort to cover all the possibilities that are developing in the Arab navies. There is a naval arms race, but at this stage it is slow. All the Arab navies made the big leap in the late seventies and early eighties. During that time, they went through a process of modernization and building strength. A continuing improvement and build-up is still perceptible among some of the Arab navies.

[BAMAHANE] Is Libya today the greatest naval threat to Israel?

[Ram] From the viewpoint of renewing its order of battle, Libya made the big leap during the eighties. Potentially, the Libyan navy poses a great threat. It is the largest and the most modern of the Arab navies. It is also relatively close to our sea lanes in the center of the Mediterranean. It has vessels that can come near to the State of Israel and can constitute a threat to the coast and to the ports. Practically, in my estimation, the Libyans' level is still low, and they operate the vessels with difficulty. I assume that they will improve over time. The Libyan navy has great potential. Undoubtedly, when the Libyans get ready to engage in a war against us at sea, it will be very easy for them. At sea, there are no borders. They have the ability, and they are well-equipped. The navy will also be alert to providing an answer to the Libyan problem.

[BAMAHANE] Is our answer, especially in a period of cuts, sufficient?

[Ram] Of course, the smaller the order of battle, the more difficult it will be to respond to the quantity of events. However, I believe that we will carry out our mission. That is not to say that a situation is not likely to occur whereby the coast is attacked by missiles from the sea. There is no system that is one hundred percent, but the chance of that is small. This conception is taking root. The Gulf war has contributed to it. They saw that it is possible to blockade a state and to attack from the sea from very great distances. In our estimation, an Iraqi attack was carried out from the Mediterranean. This is existing technology. Certainly, it is easy today to launch long-range sea-to-sea missiles. The Styx missile that was launched at Tel Aviv carries half a ton of explosives, which is twice as much as the Scud.

[BAMAHANE] Do you think that in the next war, should it come, there will be a greater threat to Israel's coasts?

[Ram] I do not doubt that, if there is another war, we will find ourselves more threatened from the direction of the sea than we have been in the past. I believe that the navy will know how to solve this problem.

[BAMAHANE] What did the navy learn from the Gulf war?

[Ram] Mainly two points: One concerning missiles that are launched against the land from far out at sea. Two, naval mining. On the latter, it was known that the Iraqis had mines that they had planted in the waters of the Gulf. I estimate that the Arab navies will examine the subject of mining with great care. In a future war, we will also find ourselves coping with the problem of naval mining. The navy has an answer to the subject. We will make possible shipping in our ports even if they try to mine them.

[BAMAHANE] During the Gulf war, was there fear of an attack on the sea routes to Israel or of a terrorist penetration?

[Ram] There was definitely fear of intensified terrorist activity. We understood from information and estimates that there was an intention of considerably intensifying the terrorists' activity in the naval sector of the Middle East. Therefore, we intensified the regular security. We also took into account that if war began in the Mediterranean between us and Arab states, there would doubtless be an Arab attempt to hit our sea routes. There was fear of a naval threat in the Jordanian theatre, mainly Iraqi commando activity from 'Aqaba. We prepared for the possibility, and for a time we completely forbade sailing in the Gulf of Eylat. To our joy, such a situation did not develop. There was no activity of Iraqi commandos from the port of 'Aqaba. With the outbreak of war, we gave sailing directives, in order to reduce the danger.

[BAMAHANE] Are there attempts by the terrorists to acquire small, fast boats?

[Ram] They are always active on the subject of procurement. They are interested in boats and diving equipment. We receive information on purchases all the time. There is no terrorist organization that is without a naval element. In my estimation, attempts to carry out naval attacks will continue.

[BAMAHANE] What is the answer to the fast boats in the possession of the terrorists?

[Ram] We equip ourselves with faster vessels, such as "Dabourot," and we apparently will also increase their speed by several knots. But the problem is not only the speed of the vessels. After all, the terrorists can always buy a fast speed boat, and there are today tremendous speeds at sea. The problem is that in order to mount a defense, the navy needs good means of detection, good weapons. We do not have a one hundred percent answer. The boat that penetrated during Shavu'ot is proof of that. But most of the time, with the aid of special weapons, we can prevent the penetrations.

[BAMAHANE] What lessons were learned from the event during Shavu'ot, when terrorist boats penetrated to Nitzanim beach?

[Ram] We did not draw any lessons from the event during Shavu'ot. There are no lessons in this event that we did not know and that we had not dealt with previously. We knew that the "Dabourim" were too slow, and we had begun to equip ourselves with "Dabourot." We also knew that we wanted to improve the range of our fire and we dealt with that before the event of Shavu'ot and even during the event itself. If the "Dabour" that pursued the boat, although it was slow, had been equipped with weapons of greater range, it would have succeeded in hitting the boat. Likewise, we are improving our ability to aim the existing weapons and we are installing a day/night vision system, which

will enable us to detect and identify from much greater distances. We have not discovered anything new following the event of Shavu'ot that we had not already known.

[BAMAHANE] Why was it decided to build missile boats larger than the Sa'ar 4? This change contradicts the conception that was held until today in the navy, which preferred the construction of small vessels.

[Ram] The Sa'ar 5 boats are smaller, from the viewpoint of survivability, than the Sa'ar 4 boats. An enemy radar that looks at the Sa'ar 5 sees a smaller target. We reduced the radar cross-section and reduced greatly the acoustic noise. The navy did not have a policy that said that small boats are the solution. The service always sought how to ensure that there would be a quality gap between our vessels and those confronting it. A mistake must not be made in planning the next war according to the lessons of the previous war. We must look forward to the battlefield of the future. The size of the new boats was dictated after we had determined what weaponry would be required on the battlefield of the future. In general, there is a rule that establishes a ratio of 1:10 between the weaponry and the size of the ship. If you have 100 tons of weaponry, the displacement of the vessel is 1,000 tons. The Sa'ar 5 will weigh 1,200 tons, which is near to the desired ratio.

[BAMAHANE] A test firing of the "Barak" sea-to-sea missile system is expected soon. What capabilities will the system provide and when will it be installed on the missile boats?

[Ram] The purpose of the system is to defend against missiles, what is called "a hard defense." This will further improve our capability in the area of survivability. We have means of defense, some of which we used during the Yom Kippur War, and we have improved them over the years, and I believe that we are among the world leaders in this sphere, if not the leaders. The "Barak" system will provide an answer to all ordinance that will be launched against us from the air. Even if it will be a bomb dropped from an airplane, the system will know how to deal with the threat. The system is capable of functioning also as an antiaircraft system to distances of 10 to 12 km. This is also a system whose missiles are relatively cheap. There are targets against which it would be a shame to invest an expensive missile, such as, for example, a boat that has already been hit by an ordinary missile and whose destruction can be carried out by cheaper means such as the "Barak."

[BAMAHANE] The navy continues to have the naval commandos. Do you see any operational benefit from this body? Or are there other reasons, perhaps principles?

[Ram] We believe that the naval commando unit has an important sphere of activity during wartime. This activity is very important to the navy, because it allows us to remain a small service with special capabilities. We have a strong need for such a unit also for regular

security between the wars. I do not see in the foreseeable future that the navy will want to give up these capabilities. Moreover, the cost of the unit is relatively low.

[BAMAHANE] Why are navy officers not found in positions in the branches of the general staff?

[Ram] I think that the service is less known and that we are less integrated into the activity with the land army and the air force. We also have a problem with the navy officers themselves. They are not happy to leave the service. We have had instances of officers who were capable of being advanced in positions outside of the navy and who did not want to go over. There is a kind of unit pride or service pride that keeps our officers from going over. The navy has good officers, at least as [good] as in the entire armed forces, who could contribute to the IDF as a whole. I have no doubt that this group of officers, which is involved and integrated in other places, will also see the needs of the navy from different viewpoints, which are sometimes forgotten, because the navy is not represented in all kinds of forums. In any event, we will continue to make efforts to integrate our people. Only recently, an officer of ours was placed in a position within the framework of the senior all-IDF positions. I hope that this will be continued.

[BAMAHANE] Do you have a message for the soldiers of the navy and its officers for the Service Day?

[Ram] My main message to the navy and the entire state is that the navy continues to improve and build up strength and will continue to invest resources in the day-to-day defense of the shores of the state and in the development of our capabilities.

Sarid Discusses Levinger Case, IDF Connection

91AE0588A Tel Aviv HA'ARETZ in Hebrew 15 Aug 91
p B1

[Article by Yosi Sarid: "Who's Giving the Orders?"]

[Text] His record is long, our memory is short, and who can remember all the charges and convictions. Nine times Moshe Levinger of Hebron was brought before a court and nine times he was convicted of criminal offenses. I know of one other case in the country of a man who carries such a load of convictions.

On 5 September 1975 Levinger was sentenced to two weeks in jail for disorderly conduct; on 1 June 1976 he was fined 7,500 liras for violating permit conditions; on 19 November 1979 he was given a three months to one year suspended prison sentence and a fine of 5,000 liras for trespassing and assault; on 5 June 1985 he was given a two months to three years suspended prison sentence and 50,000 shekel fine for willful destruction of property; on 25 July 1985—three months to two years suspended prison sentence and 200,000 shekel fine for trespassing and assault (he attacked a child); on 5 September 1986—300 shekel fine for assault (attacked a soldier); on 1 March 1987—300 shekel fine for

neglecting to secure a weapon; on 1 May 1990 Levinger was sentenced to one year imprisonment (five months in confinement) for causing a death by negligence; on 14 January 1991 once again he was sentenced to four months imprisonment for rioting and damages, as well as 10 days imprisonment for contempt of court.

One needs to know how to read this list. Restrained terms serve to cover up unrestrained actions. For example: "Violating permit conditions" may sound like a trifle, but in fact that was a matter of a major disturbance: Levinger ran unrestrained without any attempt being made to control him, while policemen and soldiers watched him helplessly. Or "willful damage to property"—another euphemism. In fact, that was nothing if not a small pogrom, one of the kind of pogroms that Levinger stages every time the evil spirit is upon him and is driving him demented.

We must also remember that most of the above sentences were the outcome of all kinds of plea deals. In other words, from the start Levinger was not indicted for the charges his action really deserved, but on other counts, which between them and the action itself sometimes there was no resemblance. The clearest example of such a shady deal was "causing death by negligence," which many viewed as plain murder, because what else does one call indiscriminate shooting in broad daylight in the middle of a market, if not necessarily for the purpose of self-defense? After the shooting a shoe store keeper in Hebron was careless enough as to die. But the state attorney's office knows quite well that Levinger's political bite is bad, and who wants to be bitten, everyone wants to get ahead in life, and that was the genesis of yet another plea bargain.

The list of convictions I cited is a complete list, nevertheless it is still only partial: many of the outbursts of this recidivist goring bull were never even investigated, or were investigated but he was never charged; and some cases were never even publicized. Who can keep track of everything that happens in wild Hebron on a daily basis?

The reports that do filter out do not come from either local IDF [Israeli Defense Forces] or police sources. The way they always come out is like this: Some commanding officer or soldier who can no longer stand to see what he is seeing calls us on the phone and requests an urgent and energetic intervention from us. If you do not interfere, nothing will happen and Levinger will continue to claim justice for himself and to punish others—that is how they urge us. Those are usually people on reserve duty not yet accustomed to the ruling culture in Hebron, and who are responsible for breaking the conspiracy to keep silent and to silence others. They came to serve a few days in the IDF and found themselves serving in Levinger's phalanges.

Thus, for example, we got wind of the violent rioting caused by Levinger about three months ago in the marketplace—he fired shots, hit, pushed and threatened, overturned merchandise stands, and no one stopped

him. Anywhere else anyone would have been arrested on the spot, but Levinger was never arrested even for as long as it took him to cool down. Don't touch my annointed [persona], and indeed no one touches him. Levinger is right when he claims that any time a bill of indictment is served against him, it is only because of the pressure of the left-wing; were it not for our pressures he would always go scot-free.

While still waiting for the results of the previous investigation, I already got another call: This time, about two weeks ago, Levinger and his followers blocked the market and the qasbah with their vehicles and hundreds of male and female soldiers had to labor a whole Sabbath to clear them out. This man, who is a villain on the authority of both the Torah and the government, was abusing the brigade commander for desecrating the Sabbath and ordered him to summon a Druze unit to tow away the vehicles as the "Sabbath-goy" [a non-Jew who works for a Jewish family on the Sabbath] for the settlers. The brigade commander meekly obeyed; the honor of the Sabbath was saved, but that of the army was lost.

By the very fact that we are called up the soldiers express their complete lack of confidence in the IDF command. They see their commanding officers and those above them reacting passively to Levinger and doing his bidding, and of course self-effacement does not help mete out justice. Not only does the state attorney staff want to get promoted, but so does the military staff as well; the brigade commander, too, wants to go home a division commander. And thus Ehud Baraq and Dorit Baynash continue leading big herds of rhinos—soldiers and policemen, prosecutors and judges—and the rule of law is trampled over.

But why should I harp on a wretched brigade commander when the Command commander, General X or Y himself, visits Levinger's home and honors him. I would like to see what would happen to any IDF general who visited the home of any other criminal with nine convictions for shameful criminal offenses to his name.

The IDF has still not grasped that its mission in Hebron is not so much to defend Levinger as to defend itself against Levinger. His criminal record serves as testimony. The state is known to demolish homes for a lot less. But for a lot more Levinger gets more and more houses built.

I know how difficult it is now to carry out orders while serving in the territories. But when the orders are in fact given not by Ehud Baraq, but by Moshe Levinger, one must not obey them.

Christian Volunteers in IDF Reach Record High

*TA0708085791 Jerusalem QOL YISRAEL'EL in Hebrew
0800 GMT 7 Aug 91*

[Text] Another 100 Christian Arab youths volunteered for the IDF [Israeli Defense Forces] over the past six weeks. Our correspondent Yo'el Dar reports that the

number of volunteers among the Christian citizens has now reached 300. That is the largest number of Christians serving in the IDF since the inception of the state. Dr. Alexander Bligh, the prime minister's Arab affairs adviser, said that the defense minister intends to meet with the Christian volunteers next week.

Border Police To Be Sent to Territories

TA0908051991 Jerusalem QOL YISRA'EL in English
0400 GMT 9 Aug 91

[Text] The Army intends to replace regular and reserve troops in the territories with Border Police units. The

Army General Staff is studying a plan on the possibility of increasing Border Police deployment in the territories. The proposal is part of the Army's multiyear plan.

The Army chief of planning, Major General 'Amram Mitzna', is discussing the idea with Police Inspector General Ya'aqov Turner, and the commander of the Border Patrol, Meshulam 'Amit.

Military sources say the Border Police units are regarded as the best trained force in the territories. They said one determining factor will be the monetary cost.

Soviet Immigrants Still Unsettled, Confused

91AE0548A Tel Aviv HA'ARETZ in Hebrew
26 Jul 91 p B3

[Article by Lili Galili: "On the Roads Around the Intifadah"]

[Text] At the end of a day of touring Samaria, Aida said now she understood that there was never going to be peace between Jews and Arabs. Asked what brought her to that conclusion she answered in the basic Hebrew of a new immigrant only six months in the country that, "If you give the Arabs one finger they want the whole hand." In order to make sure that she had been properly understood, Aida, a veteran journalist from the Ural mountains, turned for approval to the Russian-speaking guide who was accompanying the group on their trip to Samaria. The guide confirmed the linguistic usage, but he introduced a correction of substance: The Arabs, he said, wanted the whole hand from the very beginning. Aida was one of a group of about 25 newly immigrated journalists from the Soviet Union who were taking this tour, accompanied by representatives of the Propaganda Center, as part of a preparatory class in Israeli journalism which they are attending. For most of them, except Vitaliy, this was their first tour of the territories.

Vitaliy already had very definite ideas about the Israeli-Palestinian conflict, so much so that the security man on the trip warned him that he did not have a chance of being a reporter in Israel because he was not left-wing. Vitaliy also had a firm stand on the "territories for peace" formula: We will give the Arabs peace, they should give us the territories.

The first person that the group members met during their tour was Ya'akov Feitelsohn, who came from the USSR 19 years ago after suffering persecutions at the hand of the Soviet authorities, and who served as Ari'el's first council head. He was designated to meet the group at the Tzofit observation point from which one has a very good view of the narrow waist of the country. The mist that morning interfered somewhat with the view, but Feitelsohn made up for what was missing. Armed with a map and the gun he always carries in his pants, Feitelsohn explained in the new immigrants' language that, "Whoever says that we have to pull out of here also expects us to pull out of the Galilee. There, too, the Arabs are the majority in some areas, so one needs to take the long-term view." In support of his statement he drew an analogy to the Finnish area held by the USSR, which historically belonged to Russia.

After presenting the strategic angle, Feitelsohn talked about the economic issue. Being the sophisticated man that he is, none of his arguments could be held against him as lobbying or luring. He simply knew how to push the right buttons without spelling out anything. With the group huddled around him, he explained that the center of the country, where one is best off economically, is already very densely populated. On the other hand, he stressed, there are people who do not want to go as far

away as the Galilee or the Negev: "Some of the areas there are not at a high social or cultural level." In the inner code of the Russian immigrants, each one understood very well what he was saying. To be on the safe side, he added that Israel, for example, is also inhabited by supporters of RATZ [Citizens Rights Movement] and MAPAM [United Workers Party]. The conclusion was left up to the listeners. At the next gathering point, against the background of the Qedumim villas, some people inquired how one could get housing there, but it is doubtful that any of them will indeed take that route.

Judging the new immigrants' reaction by recent developments, both Baker and Shamir need not worry. The hearts of the new immigrants may be in the territories, but their bodies will remain inside the Green Line. Vadim from Leningrad said he was by nature a big-city man and even Haifa, where he lives, is too small for him. Genadiy, a veteran Leningrad reporter, also said that he was not yet mentally prepared for such a move, although he had considered it. Ideologically he views the settlements as something important, but he is not yet ripe for it. To the question whether he could see himself spending the rest of his life with a gun in his pocket like Feitelsohn, Genadiy said he had no problem about that. On the contrary, in his Jerusalem neighborhood of Armon Hanatziv one is also well advised to carry a gun.

Yana, on the other hand, is apprehensive about this kind of lifestyle. "I am not a soldier," she tells Feitelsohn; "To live in the territories you need the nature of a soldier. The people who come here only because of the economic situation are weak." Feitelsohn does not give up easily. With the smile of someone who has heard that hundreds of times before, he replies: "It is precisely the opposite; the strongest people are those who came here for economic reasons. They buy the ideology together with the house and they become part of it."

In flourishing Qedumim the new immigrants change hands. In the Assembly Hall of the Samaria Academy, Principal Tzvi Slonim musters all the Jewish-Israeli pride into the service of propaganda. In easy Hebrew laced with Yidish he explains to the giggling immigrants how 15 Jews who wanted to live in Qedumim robbed the U.S. President of his sleep more than all of America's troubles. And if it is important to the president, it means it is important to us, Slonim concluded.

Then he went on to show a Gush Emunim propaganda film. A rapid succession of alternating images serve to create a clear parallel between Herzl and Usishkin, and Hanan Porat and Dani'ela Weiss and showed Yosi Sarid and Shulamit Aloni fighting while the settlers were building. The group of immigrant journalists actually liked the film, although it inspired some inferiority feelings in them: "It is thanks to those people that we have a state," they concluded; "Some day we may be like that, too."

From Qedumim the visitors left for Alon Moreh and a meeting with Benny Qatzover. The short road linking

Qedumim to the new Alon Moreh was doubled because of the need to circumvent the intifadah country and Nablus. Along with the security arrangements made to ensure their safety, the Russian immigrants were provided with a pastoral image of life in the territories. Viewed from roads calculated to bypass the intifadah, the Arab villages look as if they belonged to a different reality and their Palestinian inhabitants appear like an abstract and distant entity.

A Palestinian youth endlessly waiting for some permit or other near the Qalqiliyah District Civil Administration building, was the only Arab we met during the trip. The immigrants actually identified with him in their common experience of dealing with a cumbersome bureaucracy. They saw the refugee camps only from above and the rest of the minor annoyances inherent in Jewish life in the territories were deliberately concealed from them. On the way to Alon Moreh the bus crossed Bitá. The guide spoke into the microphone about the bloody events that occurred in Bitá three years ago. The group received detailed explanations about past events, but no one attempted to explain why suddenly the security man jumped from his seat and stood in the door, ready for a possible downpour of stones. Very likely the new immigrants may have been particularly interested in this occurrence, considering that they happened to be reporters.

Benny Qatzover expansively welcomed the visitors in his villa overlooking the magical Samaria landscape. His wife Dina is in charge of the 25 new immigrant families who have recently come to Alon Moreh, thus bringing the population up to 200 families. Pleasantly and helpfully, Qatzover told his visitors the pioneering story of Alon Moreh and drew analogies between the situation of the first settlers to that of the new immigrants living in mobile homes. Except that we, Qatzover said, did not have water, did not have taps, and families with three-four children lived in 24 square meters mobile homes. Now, he summed up, there are 100,000 Jews living in Judaea, Samaria, and Gaza Strip. There are also many Arabs, but instead of arguing about what will happen with this area, we continue to build.

The new immigrants asked about the intifadah. Qatzover explained that "Currently there is what the Arabs called intifadah: they throw a few stones." He must have forgotten that only one day before the immigrants' visit, an explosive charge was found and dismantled at the entrance to Alon Moreh. Or perhaps he thought that such a marginal detail would not interest the visitors as much as the fact that all the new immigrants who came to the settlement in the past year are not unemployed and that a villa like his can be built for about \$100,000.

The silence about the explosive charge was not the only black hole in the memory of the hosts. Coming down from Mount Brakha the bus with the new immigrants ran into a roadblock of rocks. Two armed guards jumped out of a car passing ahead of us in pursuit of the roadblock layers. The bus drove round the mound of

stones and none of the guides bothered to explain its meaning to the touring reporters.

The facts add up to a natural policy tailored to the new immigrants. First, they are not often taken on tours of the territories. A visit to the Propaganda Center, which is in charge of many tours for new immigrants, reveals that the Absorption Ministry and other authorities encourage trips to Jerusalem, the Galilee, and the Negev, but they almost never take new immigrants to the territories.

No one will admit it, but it seems that at this stage the preferred line is to preserve the new immigrants' natural bias against returning the territories without confronting them with a reality that may serve to change their views. Those who nevertheless do come touring are shown a very pastoral image not apt to lead them to thoughts of heresy. For example, during the same journalists' tour, Benny Qatzover himself presented the problem of the Palestinian refugees. The new immigrants got a bird's eye view of the Balatah refugee camp over the top of Mount Brakha. One of the strange features of the refugee camps is that height and distance endow them with charm. From that distance Qatzover explained: "The Arabs are not allowing the refugees to get out of the camps so that they can say, 'Look what the Jews are doing to the Arabs.' They are keeping 10,000 to 15,000 people there in Balatah. They have money, but they do not let them get out to build houses."

The immigrants' reactions can be summed up in one word: confusion. They are pounced upon from the left and the right to give answers and make decisions. They have been plunged against their will into a reality that forces them to deal with tough conflicts. Irina, a reporter from Minsk, summed up their feelings almost defiantly: "It is all still too early for us. I live here but I still think as if I were in Russia. My body is here but my soul is still there. It is still all very confused. I cannot yet make such decisions."

Lobbying on Behalf of Syrian Jews

91AE0549A Tel Aviv DAVAR in Hebrew 25 Jul 91 p 13

[Unattributed Report: "Social Lobby Urges Government To Take Action on Behalf of Syria's 4,000 Jews"]

[Text] The Knesset's Social Lobby led by Knesset Member [MK] Professor Shim'on Shetrit yesterday urged the Israeli Government to take action to extend the Human Rights Treaty to Syria's 4,000 Jews who are trying to emigrate.

A special meeting held yesterday at the Knesset was attended by MKs from all the parties, the leaders of the Association of Syrian Immigrants in Israel, and former Ambassador Moshe Sasson, who is active on behalf of his community of Damascus emigrants in the country.

MK Professor Shim'on Shetrit, the founder of the special lobby for Syrian Jews, yesterday said that steps must be taken to bring about the implementation of the Human

Rights Charter—which Hafiz al-Asad has signed—in Syria. “All the advertized changes in Syria’s policy are nonexistent regarding anything to do with the Jews there. There has been no change in the attitude toward them,” Shetrit said.

Professor Shetrit said that simultaneously, most energetic actions must be taken in Israel to grant equal conditions to Syrians who suffered persecutions because of being Zionists as those granted to their brethren from the Soviet Union.

MK Charly Biton interjected: “The blacks are always cheated. What do you think, that it is the luck of the draw that a persecuted Syrian Zionist gets less than a persecuted Russian Zionist? Is it for no reason that Syrian persecuted Zionists are tossed over the fence?”

Labor’s Imanu’el Zissman revealed to the committee that he recently intended to raise a question in Knesset about Syria’s Jews, but members of the prime minister’s office contacted him and asked him to remove his question from the agenda.

Shetrit: “We were told to keep quiet about the Ethiopian topic, too, like Zissman said.”

MK Ely Dayan (Labor): “It is a mistake. This lobby must appeal to the U.S. and Israeli Governments to now do something for Syria’s Jews. This is precisely the time to stage a public campaign and everything must revolve around the failure to implement the Human Rights Treaty in Syria. Hafiz al-Asad is a signatory of the Treaty and he is not observing it. Moreover, it should be pointed out that if the Israeli Government approves of this type of public action, it is obligated to provide financial support for it.”

Former MK Menahem Yarid, who in the past was active in behalf of Syria’s Jewry and who was attending the “lobby” meeting, said that “The outcry must be very measured.”

MK Charly Biton interjected: “I do not know of any such system as a quiet outcry. If you are raising an outcry, I am with you, but if you are going to be quiet, then let us go home...”

MK Yehoshu’a Matza of Likud responded: “Keep quiet, but get the Jews out. Look at the case of the Ethiopian Jews.”

MK Amir Peretz of Labor said: “The line of action must be from America. At the same time we must contact the Egyptian and U.S. Ambassadors in Israel, meet with them, and tell them about the hardships endured by the Syrian Jews. As for the discrimination of the persecuted Syrian Zionists, that’s another matter, which should be handled by the Financial Committee.”

Ari’el Weinstein, Likud: “This is a holy struggle. The first problem that must be solved is to help all the Syrian Jews to get out of Syria.”

’Edna Solodar, Labor: “We must energetically work in behalf of the Syrian Jews. I wish to announce that I am at the service of the Social Lobby in each one of the committees of which I am a member.”

Ra’anan Kohen, Alignment: “We must raise a tremendous outcry apt to send an international tremor. The Jews in Arab countries must be able to leave the prisons in which they live.”

‘Peace Now’ Reports Benefits to Settlers

TA3007114591 Tel Aviv HADASHOT in Hebrew
30 Jul 91 p 6

[Report by Yoram Binur and Shlomo Dror]

[Excerpts] A study conducted by “Peace Now” reveals that as part of a campaign to populate settlements in the Hebron Hills area, tenants are being awarded large, long-term loans, in contravention of the regulations set by the Construction and Housing Ministry.

An advertisement in the press at the beginning of this month called on Israelis to settle in one of 13 settlements between Hebron and ’Arad. Settlers were promised a house, low rents, exemption from purchasing tax, and other benefits. A 70-square-meter house in such a settlement costs 105,000 shekels. [passage omitted]

“Peace Now” points out that three new roads have recently been paved “to promote the move of inhabitants to the area.” Israelis choosing to settle in this area are given car shields free of charge and weapons are handed out to people who are licensed to carry them.

Shlomo Dror adds: The Construction and Housing Ministry has confirmed these facts, arguing that the settlements in question are considered development towns.

Eytan: Integrate Ethiopians in Agricultural Areas

91AE0549B Tel Aviv DAVAR in Hebrew 23 Jul 91 p 9

[Article by Nathan Ro’yi: “Turning to the Villages”]

[Text] The Ethiopian new immigrants who came on the Shlomo Campaign are going through the same hardships that beset their brethren from the Moshe Campaign. The Jewish Agency and the government continue to decide for them how to conduct their absorption, rather than allowing them to make decisions. The administration continues its patronizing policy because, in its opinion, the new immigrants are not mature enough to decide their future. Most of the Ethiopian immigrants are observant Jews who for hundreds of years worked their land. The fact that families had many children helped with the farming work. In Ethiopia, a divorced woman with children—a source of good, inexpensive labor—was welcomed with open arms. In Israel, a widowed or divorced woman with children is a burden to a husband.

This is only one example of the difficulties accompanying the immigrants' transition from their previous way of life to the new lifestyle in Israel.

The Ethiopian Jews, who experienced a loss on their way to Israel, are entitled to live their lives as they wish. They want to live in mobile homes in village environments, rather than in hotels or guest houses, where the woman loses her standing in the eyes of her family and husband and where the family finds itself in an unfamiliar lifestyle. An internal document circulated at the Agriculture Ministry last month revealed that 2,049 mobile homes are currently standing in moshavs, kibbutzim, and agricultural villages. Another 977 mobile homes are located within the radius of Regional Councils and serve as absorption centers. Only a few of the mobile homes in agricultural settlements are inhabited by new immigrants from the Shlomo Campaign. The authors of the Agriculture Ministry document concluded that new immigrants from other absorption centers in the country should be channeled to the mobile homes in agricultural areas.

The government, however, has decided that for the first year the Ethiopian immigrants will live in absorption centers, until they become acclimatized to the modern society, and only after that will they be able to live as they wish. Surprisingly, Agriculture Minister Refa'el Eytan [Raful] has become an expert on Ethiopian affairs and he was more on target than his other colleagues in the cabinet. In a document dealing with immigration and absorption issues that he presented on 7 July to the cabinet ministers, Raful wrote that the Ethiopian community is used to a lifestyle involving several families together and that it should not be attempted to settle them in agricultural areas on the basis of isolated families or individuals. Since this is a matter of transient residents, Eytan concluded that means must be devised to provide the immigrants with all the daily services within the framework of settlements and regional councils, while their rights and duties are to be formulated by the cabinet of ministers in charge of immigration and absorption.

Refa'el Eytan listed several means of dealing with the problems that are currently delaying the settlement of Ethiopian immigrants in agricultural areas: Speed up the procedures involved in the release of building permits by the Planning and Building Committee within the Israel Land Authority; deal more rapidly with the oppositions raised, which are delaying the continuation of the process; increase the settlements' budget for the purpose of erecting mobile homes in the wake of the high infrastructure cost. If the state were acting to resolve these problems and allowing the Ethiopian immigrants to become acclimatized in environments familiar to them, their situation could be easier. Currently they are suffering from being confined to absorption centers and forced to receive ready-made, unfamiliar food, while the woman in the family suffers from not being able to prepare food for her husband and children.

Minister Refa'el Eytan added that Ethiopian immigrants can be integrated in farming environments in several forms: Within the framework of the program to enlarge settlements—combined absorption of moshav members in the agricultural sector; placing concentrations of mobile homes in kibbutzim or moshavs; settling new immigrants within the framework of the Kibbutz Movement's "first home in the fatherland" project; renovating houses and auxiliary buildings and settling new immigrants on a rental basis. According to Refa'el Eytan, the stages of implementation will include identifying immigrant families in absorption centers throughout the country and directing them to settlements in which there are mobile homes and in which the infrastructure work has been completed, finding employment for the families settled in agricultural areas, and providing the immigrants with skilled training.

Eytan claimed that there is no problem of principle about integrating Ethiopian immigrants in agricultural settlements, but there is a need for coordination among all the government ministries. But what governmental office works in coordination with the other government offices? Overlapping duties and absorption problems are bound to be revealed in all their ugly magnitude in the hard times ahead.

Prison Policies, Reforms Discussed

91AE0548B Tel Aviv DAVAR in Hebrew 16 Jul 91 p 11

[Article by Natan Ro'yi: "The Prisoners Will Decide and Approve"]

[Text] Police Comptroller Major General (R) Avraham Edan did not discover America in his report on the situation in Israel's jails published last week. The "dominion" of the security prisoners in the Israeli jails has been around almost as long as the Israeli occupation of the territories, and the guards' policy of negotiations, tacit agreement, and turning a blind eye in respect to the prisoners is very well known to and accepted by all those concerned, including the members of the General Security Service [SHABAQ].

A Palestinian state is in the process of being established in detention facilities throughout Israel and across the Green Line and the 3,800 security prisoners are its founders, the shadow government of the future state, and the devoted troops of the Palestinian Liberation Movement. The security prisoners are well organized by an evenly divided leadership. The few who try to evade the movement's orders or to ignore its authority can expect to be cruelly punished.

Already at the beginning of the 1980's the management of the Ayalon prison in Ramla realized the trend toward organization and deployment among the security prisoners. There had been a few signs:

A) In contrast to what had been the case until then, the security prisoners began to show an interest in and to develop contacts with the criminal element among their

conationals with a view to cultivating their national awareness. The job of ideological persuasion and reeducation was supplemented by generous material lures like financial aid and help to the prisoner and his family.

B) The security prisoners made sure that the prison authorities got an unequivocal and aggressive message that any of them who ever hurt or even humiliated a security prisoner was going to be "marked" and punished when the time came. And indeed, at that time, meaning the beginning of the 1980's, there was more than one case of attacks staged by security prisoners on members of the Special Security Forces of the Prisons Authority.

C) The security prisoners went on a study schedule. They began to diligently study Defense Ministry circulars and to carefully read the Hebrew press of all kinds. They even instituted comprehension tests for the student prisoners.

On the occasion of a classification carried out among the Ayalon security prisoners before some of them were to be moved to the Nafha prison that was then opened in the south, the researchers found two main groups of prisoners, each of which was operating independently. One of them was the leftist-radical group, and the other the religious-nationalist group. Beyond the differences of views between them, the two groups were united by their hatred of Israel and their desire to attack it by all possible means.

The left-wing group incorporated members of the PLO and the Democratic Front, Hawatimah's supporters, and so forth. The religious-national group had an internal court of justice which dealt with members' complaints against other members. Although its verdicts did not officially count with the prison authorities, in actual fact they could not afford to ignore them. If, for example, such a court decided that a certain prisoner should stop working in the kitchen, the prison management would find itself with a serious dilemma. If it ignored the verdict and compelled the prisoner to violate the judges' order, his life was put in jeopardy with all the due implications. If the management allowed the prisoner to comply with the verdict, it thereby acknowledged its weakness and thus enabled the security prisoners to rule the prison.

Loyal to their national mission, the security prisoners (and the women belonging to the same category, held at the Sharon prison) refrain from the behavior characteristic of other prisoners. They do not use hard drugs like their criminal colleagues and they react severely to any deviation from that norm; they do not engage in the homosexual behavior that is very frequent among the criminal prisoners; they do not talk much with the guards. The right to talk to the prison authorities is reserved for their appointed spokesmen; the security prisoners are not willing to work out of a firm refusal to contribute in any way to the State of Israel or the Zionist idea; they do not request any privileges for themselves

aside from what they are entitled to by virtue of the regulations and agreements reached with the prison authorities.

These things were clearly stated in a restricted document sent to the police minister on 8 April 1986. The document pointed out that the security prisoners lived in organized groups which acted to attain the following objectives:

A) Obtain recognition as prisoners of war with all the rights devolving thereof under the Geneva Treaty.

B) Operate within their own strict frameworks, which excluded any cooperation with Israel.

C) Propagandize the ideology of the terrorist organizations.

D) Continue hostilities against the state even under the most strict jail circumstances.

One and a half years after the police minister read the above, a meeting was held in December 1987 with the administrative staff of the security prisons within the Prisons Authority. The protocol of the meeting spoke for itself. The head warden of the Ashqelon prison said there: "The security prisoners have clear and well defined objectives that are not affected by changes of Prisons Authority commanders. The State of Israel has not offered any objectives as an alternative to those of the security prisoners. The Prisons Authority must define such objectives that can serve to govern the various units. There is no doubt that meeting the prisoners' requests will not put an end to the requests. We need to adopt a positive approach designed to increase the control of the authorities over the prisoners, which does not stand in opposition to showing consideration to their leaders."

The director of the Judea and Samaria Prison said: "Most of the improvements currently requested are detrimental to security. Any response to the prisoners' demands is bound to conflict with the management's position and to give the prisoners control of their affairs, for example in the matter of assigning prison jobs to prisoners. There are searches, there are bodily searches, and this kind of searches is very important. Every once in a while we find notes passed on to prison detainees. There is movement among wings on the Muslim holidays, and this is recommended to continue. Nationalistic singing and inflammatory speeches should be suppressed and silenced. We should also step up the censorship of tapes for the prisoners and not allow them to receive tapes from their families. Only tapes regularly purchased should be allowed in prison."

Director, Nablus Prison: "Every security prisoner has some organizational affiliation. By initiating talks with the leaders we will be able to put them under some obligation to cooperate. I do not see any security breach in that. At the same time, the recommendation is that the

governor of the Prisons Authority or department heads should not meet with prisoners at the command of their leaders."

Director, Janin Prison: "When the governor of the Prisons Authority visited the jail, the prisoners realized that his approach to them was positive and that the 'edicts' were going to be repealed. That created a certain level of expectations for immediate gains and, should these gains not materialize, we can expect an outbreak of protest strikes. The prisoners do have a leadership and we cannot ignore it. We have failed to break it and all the guidelines in this respect ignore this reality. Body searches should be continued in order to prevent the infiltration of amlah [means of combat], but without humiliating the prisoner. I suggest that we continue to lock the cells while the prisoners are walking in the courtyard. That is important for security. We can meet prisoners' requests about movement among cells (in a manner controlled by the management) since as it is we cannot prevent them from talking among themselves."

So far from the protocol of one meeting.

Next comes a "restricted" document from the 20 December 1987 staff meeting which dealt with the demands of security prisoners. The Prison Authority governor opened: "The security prisoners are now waiting to test the behavior of the new governor (Commander David Maymon) and to see how far he is willing to compromise. Therefore, they should be granted a few requests before 1 January (PLO Day), when we expect disturbances and strikes anyway and when any concession will be seen as caving in under pressure."

The document then went on to list the demands of the security prisoners, most of which were granted:

- 1) Permission to keep the television on until the midnight sign-off.
- 2) Show video movies in close circuit.
- 3) Expand the list of medical specialists allowed to enter the prisons for private consultations.
- 4) Review the list of publications banned by the censorship from security prisoners and expand it (newspapers, literature, etc.), provided that the material does not endanger security.
- 5) Willingness to move prisoners from one cell to another, one wing to another, and one prison to another upon their grounded request, only with the authorization of the prison management and in accordance with the circumstances of the request, i.e., the existence of humanitarian reasons.
- 6) Recognize leaders and spokesman. The directors should be instructed to conduct open talks with leaders. On the other hand, the security prisoners will be told that the prison director will continue to summon prisoners for personal interviews. The directors will keep written

records of their talks with prisoners and leaders and will send the reports in question to the governor of the Prisons Authority.

7) Crowding: The prisoners are to be told that the Prisons Authority is aware of the severity of the situation and that there are plans to give the prisoners more space, which will be implemented as soon as budget solutions are identified.

8) Complaints concerning violence: The directors will be instructed to treat the prisoners on the basis of bilateral respect and mutual relations, and to refrain from gratuitous violence.

9) The banishments initiated in the past will be canceled. Banishments will be carried out only for operational-security purposes, not as a matter of routine.

10) Mess halls: As a rule of thumb, the prison management will endeavor to find solutions (there is a problem about space). If a solution is found, the Prisons Authority is not against serving meals in mess halls.

11) Daily walk: In principle we will endeavor to lengthen it, but there are restrictions to do with daylight hours and the number of courtyards available. At facilities at which this is possible, the walks will be lengthened.

12) The matter of the number of visitors in the visiting rooms will be examined with the directors for the purpose of devising local solutions for each prison.

13) Improving conditions in the transitional wing of Ayalon Prison; once a solution is found for prisoners who are not intended to stay there anyway, the conditions in the transitional wing will improve.

14) Down jackets for prisoners: The sale of blue down jackets will be permitted at the canteen.

15) Separation between criminal and security prisoners: As a rule, the Prisons Authority is seeking to separate between felons and security prisoners wherever possible.

16) Training bicycles in the courtyard: If the Red Cross should purchase fitness equipment for the prisoners, such equipment will be placed in prison courtyards in which that is possible.

17) Food changes: A nutrition commission and the management will discuss with the prisoners at each jail the possibility of offering fare preferred by the prisoners, but not in addition to the current menu.

18) Sewing and barber shops: The demand was approved in principle, as soon as the crowding will ease and such space will be possible to allocate.

19) Repair work in prisoners' cells and hot water in the cells: Plans exist for installing hot water pipes in the cells and they will be carried out as a high priority.

20) Canteen: The choice of items will be expanded and the monthly allocation will be increased to 110 shekels.

- 21) Communal prayer in all the wings is not approved.
- 22) Opening cells inside wings will be considered at a later stage.
- 23) Bathroom facilities in the exercise courtyards: Approved. The administrator will carry it out as soon as possible.
- 24) Prisoners' request to stop the policy of separating prisoners for safety reasons; the personal safety of prisoners is the exclusive responsibility of the Prisons Authority. Nevertheless, every case involving prisoners requesting their protection status to be lifted will be examined on an individual basis.
- 25) Removing dividers at visitation: In principle the request is denied, but exceptional cases, in which a special application can be filed with the director to have the divider removed.
- 26) Not attending roll call: Denied.
- 27) Contacts between adults and youths (an adult teacher in a youth cell): Approved. The prisoners will be told that if it is found that the teaching pertains to hostile terrorist activities, the approval will be repealed.

The list of improvements and privileges that the security prisoners managed to secure in the 1980's were stepping stones toward their independence in prison. Gradually the prisoners became the almost exclusive rulers in security prisons and even if things were not officially said, in practice the jail authorities left the security prisoners alone, in exchange for which they graciously allowed the management to carry on. On 12 May 1986 an additional meeting was held in the office of Police Minister Hayim Bar-Lev to decide on a policy toward the security prisoners. The discussion was prepared by a committee of representatives of the bodies involved in the first stages of handling security prisoners.

By the end of that meeting it was decided, among other things, to suggest a specific program of propaganda actions among the security prisoners. The highlights of the program were to be: Daily discussions with prisoners belonging to the PLO dealing with topics removed from political issues, such as AIDS, for example, and gradually leading up to ideology, both the PLO's and Zionism. In the circular issued on 18 May 1986 the deputy police minister dubbed this the stick and carrot policy. But those decisions were not the first of their kind either. Already on 9 June 1985 Minister Bar-Lev had instructed to set up a think-tank commission on the subject of the security prisoners for the purpose of hammering out a policy for dealing with them. The commission presented an initial report in June the same year to the then governor of the Prisons Authority, Rafi Suissa. In April Suissa presented the topic in its entirety to the minister, stressing especially the organizational structure of the PLO men in jails. Suissa recommended some proposals to the minister concerning the treatment of security prisoners, among them: Ensuring appropriate security

conditions in the prisons on the one hand, while on the other preserving humane conditions; weakening as much as possible the internal PLO organization so that the jails should not become academies and hot houses for terrorist activities; conducting propaganda among the prisoners with a view to fostering even the smallest chance of a dialogue with the Palestinian leadership taking shape in the Israeli jails; encouraging PLO supporters among the prisoners to emigrate from the country immediately upon their release.

In January 1986 the Prisons Authority held a discussion on means of propaganda among PLO prisoners. In May the same year a discussion on the same topic took place at the office of Gad Aviner, director general of the Police Ministry, based on Rafi Suissa's secret document. At the end of that discussion, the ministry director general said that propaganda and dialogue with PLO members were a "problematic matter and that the approach to it was still not definite enough. Its effectiveness and the returns, considering the efforts that needed to be invested in it, were doubtful. Limited steps could perhaps be initiated, after which the process could perhaps be continued. As for encouraging voluntary emigration by PLO members and other security prisoners, that was acceptable, but it was not clear on whose responsibility it should be pursued." Deputy commander Yisra'el Haran, a former member of the defense forces and head of the Intelligence Department of the Prisons Authority, presented his department's position on the issue on 19 June 1986: "The target is to establish contacts and a dialogue with the Palestinian leadership currently in Israeli jails with a view to changing the image of the State of Israel and of the Israelis in the eyes of the security prisoners and attenuating their hostility toward us. If those objectives were attained, fewer prisoners would go right back into the arms of the PLO," he said.

Several principal guidelines were presented at the discussion: All actions in this direction will be carried out in reaction to prisoners' requests or at least after prior consultation with them; no tendentious connection must be found among the various actions; the actions will be initiated gradually in only two-three prisons and only later will the program be expanded to additional prisons depending on opportunities; the Prisons Authority will be organizationally responsible for the project, but the other bodies among the defense forces are obligated to participate in the decisionmaking on the means of carrying out and in allocating the necessary resources for the purpose.

The Prisons Authority program stated that as a first stage, the objective was to bring prisoners belonging to the PLO to listen to information coming from an official Israeli source. The second stage was to ensure a technical framework for the project, among other things within the framework of meetings in the courtyard, in cells, and in wings. The third stage was to determine at what prisons propaganda actions would begin among PLO men and in discussions with them. The Prisons Authority suggested that this stage should be entrusted to the Authority's

Medical Department. The members of this department, especially those among them in charge of infirmaries, Arabic-speaking Jews, were to present before the PLO leadership in prisons the "Preventive Medical Requirements of the Prisons Authority." The purpose was to disseminate information on the subjects of prison hygiene and the threat of AIDS. It was decided that at the first such talks additional topics will be brought up by common agreement.

The only person with whom this secret project was shared was the head of the Medical Department of the Prisons Authority, Dr. Ya'akov Siegelboim, a new immigrant from the Soviet Union. Dr. Siegelboim contacted the information department of the Health Ministry, which pledged full support for the propaganda plan, including providing information material in Arabic. Dr. Siegelboim was due to begin setting in motion male nurses at prison infirmaries and establishing the first contacts with the PLO leadership in jails. At the same time, video films began to be shown at the Nafha prison. The Prisons Authority and defense branches were of the opinion that watching television will cut into the hours spent in ideological indoctrination and terrorist instruction and will thus diminish the authority and power of the leadership. At the next stage, as planned, lectures began to be given on health topics and meetings were

allowed with journalists, which imprisoned PLO men especially valued as a means of getting their messages across to the Israeli and international public. The Prisons Authority also considered the possibility of using social workers—Arabic-speaking Jews—for the same purpose. At a debate held on this matter in 1986 it was said that the recommendation of the High Court of Justice to use social workers in jails provided an additional means of propaganda and of shaking the PLO leadership in prisons.

One way or another, the Prisons Authority has not abandoned its stand toward imprisoned PLO members: It does not recognize them *de jure*, but it does recognize them *de facto* and it does hold negotiations with them, in contrast to the government's position.

The things allegedly "revealed" by Avraham Edan in his report are not new. They were made public in the report of the investigative commission which examined the prisons situation in May 1981 and among whose members were Judge Max Qenet, Professor David Liba'i, and Professor Rina Shapira; in a report by Leah 'Inbal ("Prisons Ruled by Gangs") for Koteret Rashit [Headline] of 30 September 1987, and in David Peri's book "Ramla Journal" brought out by Sifriyat Ha'Po'alim in 1986.

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